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Individual Income Tax Ret...

Individual Income Tax Returns 1988

Returns Filed,
Sources of Income, Exemptions,
Itemized Deductions, and
Tax Computations



Statistics of Income Division
Internal Revenue Service
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Department
of the
Treasury
Internal
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Service

Individual Income Tax Returns

Publication 1304 (Rev. 9-91)

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This report contains data on sources of income, adjusted gross income, exemptions, deductions, taxable income, income tax, modified income tax, tax credits, self-employment tax, and taxpayments. Classifications are by tax status, size of adjusted gross income, marital status, and type of tax computation.

Additional unpublished information from individual income tax returns, classified by size of adjusted gross income, is available on a reimbursable basis. A public-use computer tape file, i.e., the Individual Tax File, containing the records selected for the Statistics of Income sample is also available on a reimbursable basis. This file is suitable primarily for making national level estimates.

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Section 1

Introduction and Changes in Law*

This report contains complete individual income tax data for Tax Year 1988. The statistics are estimates based on a stratified probability sample of individual income tax returns, selected before audit, and represent coverage of approximately 110 million Forms 1040, 1040A, and 1040EZ filed by the nation's taxpayers for Tax Year 1988.

Table A on the following page shows selected income and tax items for Tax Years 1975, 1980, 1985, 1987, and 1988 with the percentage change between Tax Years 1987 and 1988. When comparing income and tax items from different years, it is important to note any changes in tax law that may have affected the composition of the data.

From 1987 to 1988 the number of returns filed increased by almost 2.7 million, or 2.5 percent, and adjusted gross income (AGI) increased by more than \$309 billion, or 11.1 percent. The components of AGI showing the largest increases were dividends, business or professional income, and partnership and S corporation net income. Total income tax (the sum of income tax after credits and the alternative minimum tax) rose 11.8 percent for 1988 under the new lower tax rates.

This report is divided into seven sections. Section 1 includes requirements for filing, changes in tax law for 1988 which may affect the statistics, and an explanation of the 1979 Income Concept. Using the 1979 Income Concept, average tax rates are compared from 1986 to 1988, showing the difference before and after tax reform. Section 2 gives a description of the sample of income tax returns upon which the statistics are based, and Section 3 contains the basic tables of detailed statistics on individual tax returns. In Section 4 the data on high income returns are presented. Section 5 provides an explanation of the terms used in the tables. The tax return forms and instructions appear in Section 6, and the last section contains an index.

Requirements for Filing

The Internal Revenue Code of 1986, as amended, provided the legal basis for tax activity detailed in this volume. For Tax Year 1988, the principal criteria that determined the general filing requirements were gross income, filing status, marital status, age, and, if the taxpayer was a dependent, blindness was also a factor. Gross

*This report was prepared under the direction of Jeff Hartzok, Chief, Returns Analysis Section, Individual Statistics Branch. June Walters was responsible for overall production. Louella Ballenger made contributions to the text. Technical assistance was provided by Michael Strudler, and copy preparation was completed by Edward Gross, Jr. and Timothy Cruciano, Research Section.

Table A.—Selected Income and Tax Items for Selected Years, 1975–1988

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1975	1980	1985	1987	1988	Percent change, 1987 to 1988
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	82,229,332	93,902,469	101,660,287	106,996,270	109,708,280	2.5%
Form 1040 returns	54,527,726	57,122,592	67,006,425	71,032,103	71,359,242	0.5
Form 1040A returns	27,701,606	36,779,877	18,124,702	17,446,685	19,066,165	9.3
Form 1040EZ returns	N/A	N/A	16,529,160	18,517,482	19,282,873	4.1
Total income, amount	962,886,872	1,642,345,558	2,401,033,782	2,803,940,526	3,111,221,671	11.0
Adjusted gross income less deficit	947,784,873	1,613,731,497	2,305,951,483	2,773,824,198	3,083,019,783	11.1
Salaries and wages						
Number of returns	73,520,046	83,802,109	87,198,001	90,984,304	93,257,370	2.5
Amount	795,399,462	1,349,842,802	1,928,200,978	2,163,905,509	2,337,984,129	8.0
Interest received						
Number of returns	40,378,240	49,019,575	64,526,434	67,933,810	69,421,338	2.2
Amount	43,433,554	102,009,444	182,109,194	168,966,067	186,981,636	10.7
Dividends in adjusted gross income						
Number of returns	8,853,491	10,738,982	15,527,579	22,324,321	22,903,155	2.6
Amount	21,892,126	38,761,253	55,046,351	66,791,158 ¹	77,329,507 ¹	15.8
Business or profession net income less loss						
Number of returns	7,242,542	8,881,119	11,900,341	13,002,055	13,571,440	4.4
Amount	39,421,478	55,129,154	78,772,577	105,460,627	126,323,250	19.8
Net Capital gain less loss						
Number of returns	7,574,823	9,970,921	12,579,494	15,450,141	12,521,113	-19.0
Amount	14,071,893	30,029,074	68,277,779	137,398,726 ²	152,841,481 ²	11.2
Pensions and annuities in adjusted gross income						
Number of returns	5,088,937	7,373,704	13,133,295	16,497,586	16,481,248	-0.1
Amount	20,886,871	43,339,736	95,096,003	124,754,833	138,785,886	11.2
Rents and royalties net income less loss						
Number of returns	7,143,812	8,208,132	9,544,495	9,492,112	9,985,858	5.2
Amount	5,202,078	4,105,381	-12,963,726	-9,254,758	-1,278,809	N/A
Partnership and S Corporations net income less loss						
Number of returns	n a	n a	5,487,671	5,574,532	5,899,223	5.8
Amount	12,811,091	10,099,346	-2,526,591	24,314,070	57,080,226	N/A
Farm net income less loss						
Number of returns	2,755,041	2,608,430	2,620,861	2,420,186	2,367,527	-2.2
Amount	3,563,325	-1,792,466	-12,005,483	-1,323,464	-1,176,537	11.1
Total statutory adjustments						
Number of returns	9,024,255	13,148,919	37,763,418	11,620,127	10,747,370	-7.5
Amount	15,101,999	28,614,061	95,082,299	30,116,329	28,201,888	-6.4
Individual Retirement Arrangement						
Number of returns	1,211,794	2,564,421	16,205,846	7,318,727	6,361,421	-13.1
Amount	1,436,443	3,430,894	38,211,574	14,065,722	11,881,759	-15.5
Self-employed (Keogh) retirement plan						
Number of returns	595,892	568,936	675,822	759,083	814,586	7.3
Amount	1,603,788	2,007,666	5,181,993	6,183,441	6,626,908	7.2
Number of exemptions	212,202,596	227,925,098	244,180,202	217,495,163	221,884,006	2.0
Total deductions						
Number of returns	81,585,541	88,491,251	96,848,626	106,005,861	108,819,935	2.7
Amount	233,181,778	346,000,155	554,733,523 ³	607,223,513 ⁴	685,954,065 ⁴	13.0
Total itemized deductions						
Number of returns	26,074,061	28,950,282	39,848,184	35,627,790	31,902,985	-10.5
Amount	122,260,601	218,028,139	405,023,525	392,020,128	395,216,456	0.8
Medical and dental expense	11,422,312	14,972,082	22,926,214	17,151,819	17,993,829	4.9
Taxes paid	44,141,289	69,404,275	128,084,618	119,388,068	120,628,182	1.0
Interest paid	38,885,282	91,187,006	180,094,578	179,942,422	179,737,720	-0.1
Contributions	15,393,331	25,809,608	47,962,848	49,623,907	50,949,273	2.7
Taxable income						
Number of returns	65,852,602	88,104,696	96,124,046	90,079,102	90,281,729	0.2
Amount	595,492,866	1,279,985,360	1,820,740,833	1,850,597,119	2,069,966,980	11.9
Income tax before credits						
Number of returns	65,854,734	76,135,819	85,994,216	89,717,924	90,218,979	0.6
Amount	132,452,044	256,294,315	332,165,333	373,857,125	418,889,165	12.0
Total tax credits						
Child care credit	N/A	956,439	3,127,702	3,438,314	3,812,849	10.9
Credit for the elderly and disabled	128,968	134,993	108,642	66,633	68,904	3.4
Foreign tax credit	381,985	1,341,675	782,561	1,099,484	1,087,203	-1.1
Income tax after credits	124,382,197	249,078,475	321,917,289	367,527,687	411,842,025	12.1
Total income tax						
Number of returns	61,490,737	73,906,244	82,846,420	86,723,796	87,135,332	0.5
Amount	124,526,297	250,341,440	325,710,254	369,202,757	412,869,909	11.8

n a Not available

N/A Not applicable

¹ Represents total dividends² Represents total capital gains³ Includes total itemized deductions, charitable contributions for nonitemizers, and zero bracket amount on nonitemized deductions⁴ Includes total itemized deductions, and basic and additional standard deductions (zero bracket amount in lieu of standard deduction for prior year returns)

NOTE Detail may not add to total because of rounding

Figure 1—General Filing Requirements

Marital Status	Filing Status	Age	Gross Income
Single (including divorced and legally separated)	Single	under 65	\$4,950
		65 or older	\$5,700
	Head of household	under 65	\$6,350
		65 or older	\$7,100
Married with a child and living apart from your spouse during the last 6 months of 1988	Head of household	under 65	\$6,350
		65 or older	\$7,100
Married and living with your spouse at the end of 1988 (or on the date your spouse died)	Married, joint return	under 65 (both spouses)	\$8,900
		65 or older (one spouse)	\$9,500
		65 or older (both spouses)	\$10,100
	Married, separate return	any age	\$1,950
Married, not living with your spouse at the end of 1988 (or on date spouse died)	Married, joint return or separate return	any age	\$1,950
	Single	under 65	\$4,950
		65 or older	\$5,700
Widowed before 1988 and not remarried in 1988	Head of household	under 65	\$6,350
		65 or older	\$7,100
	Qualifying widow(er) with dependent child	under 65	\$6,950
		65 or older	\$7,550

income included all income received in the form of money, property, and services that were not expressly exempt from tax. Generally, a U.S. citizen or resident had to file a tax return if gross income for the year was at least as much as the amount shown for the appropriate filing status in Figure 1 above. Figure 2 must be used if a taxpayer can be claimed as a dependent by another person (such as a parent) on his or her return.

In addition to these filing requirements, an individual had to file a return for Tax Year 1988 if that individual:

(1) was liable for any of the following taxes:

- social security tax on unreported tip income;
- uncollected social security tax or Railroad Retirement Tax Act (RTTA) tax on reported tip income;

- alternative minimum tax;
- tax on an individual retirement arrangement (IRA) or qualified retirement plan; or
- tax from recapture of investment credit or low income housing credit.

(2) received advanced earned income payments;

(3) had net earnings of at least \$400 from self-employment income; or

(4) had wages of \$100 or more from a church or qualified church-controlled organization that was exempt from employer social security taxes.

Data shown in these tables include individuals who were not required to file tax returns but filed in order to obtain refunds of tax withheld or to take advantage of the earned income credit.

Changes in Law

Tax Year 1988 was the second full year under the Tax Reform Act of 1986 and the year in which most of its provisions were fully implemented. All major changes in effect for Tax Year 1988 that are included in Statistics of Income data are listed below in alphabetical order. Section 5 contains more detailed explanations and definitions of terms used in this report.

Alternative Minimum Tax

For 1988, a married taxpayer filing a separate return who had alternative minimum taxable income of more than \$155,000 was required to increase alternative minimum taxable income by 25 percent of the amount it exceeded \$155,000, but the increase could not be more than \$20,000.

The personal exemption amount could no longer be deducted in figuring alternative minimum taxable income. [This change was retroactive to 1987.]

Capital Gains and Losses

For capital assets acquired after December 31, 1987, the holding period for a long-term gain or loss is more than one year, and for a short-term gain or loss, one year or less.

Beginning in 1988, long-term capital gains were taxed at the same rates as ordinary income.

Child Care Credit

Beginning in 1988, taxpayers could no longer include the expenses of sending their children or dependents to an overnight camp when figuring the child care credit.

Figure 2—For Children and Other Dependents

If someone (such as your parent) can claim you as a dependent, use Figure 2 to see if you must file a return. If your gross income was \$1,950 or more, you generally cannot be claimed as a dependent. But, you can be claimed as a dependent on your parents' return if you were under age 19 at the end of 1988 or a full-time student and your parents met the other requirements.

Unearned income includes taxable interest and dividends. Earned income includes wages, tips, and taxable scholarships and fellowships.

1. Single dependents under 65

You must file a return if—

Your unearned income was:	and	the total of that income plus your earned income was:
\$1 or more		more than \$500
\$0		more than \$3,000

2. Single dependents 65 or older or blind

You must file a return if—

- Your earned income was more than \$3,750, or
- Your unearned income was more than \$1,250 (\$2,000 if 65 or older and blind), or
- Your gross income was more than the total of your earned income (up to \$3,000) or \$500, whichever is larger, plus \$750 (\$1,500 if 65 or older and blind).

3. Married dependents under 65

You must file a return if—

- Your earned income was more than \$2,500, or
- You had unearned income and your gross income was more than \$500, or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

4. Married dependents 65 or older or blind

You must file a return if—

- Your earned income was more than \$3,100, or
- Your unearned income was more than \$1,100 (\$1,700 if 65 or older and blind), or
- Your gross income was more than the total of your earned income (up to \$2,500), or \$500, whichever is larger, plus \$600 (\$1,200 if 65 or older and blind), or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

Earned Income Credit

The earned income credit was increased to a maximum of \$874 for 1988. Some credit was available for qualified individuals whose earned income and AGI were each less than \$18,576. For 1987, the maximum credit was \$851, and the credit phased out entirely if income exceeded \$15,432.

Exemptions

The amount of each individual personal exemption increased to \$1,950 for 1988 from \$1,900 for 1987. Also, beginning in 1988, the amount that could be claimed as a deduction for exemptions was phased out if taxable income exceeded \$89,560 if filing status was single, \$149,250 if married filing jointly or qualifying widow(er), \$123,790 if head of household, and \$113,300 if married filing separately. Married taxpayers filing separately with income over \$113,300 figured their tax as if they were allowed an exemption for their spouse whether or not they actually claimed the spousal exemption. See also Tax Rates.

Interest Paid Deduction

Personal interest. Only 40 percent of "personal" interest, such as interest on credit cards, car loans, or personal loans, was deductible for 1988, whereas 65 percent was deductible for 1987.

Mortgage interest. The rules for deducting home mortgage interest changed for 1988. Generally, taxpayers who got a mortgage *before* October 14, 1987, which was secured by the taxpayer's main or second home, could deduct all the interest. Taxpayers who got a mortgage *after* October 13, 1987, which was secured by their main or second home, could deduct all interest if the loan (plus any other mortgages on the home) was \$1 million or less and the funds were used

to buy, build, or improve that home. Also, taxpayers could deduct all of the interest on an additional \$100,000 of loans secured by their main or second home.

Minimum Tax Credit

A minimum tax credit could be taken for 1988 by some taxpayers who paid alternative minimum taxes for 1987. The credit was that part of the 1987 alternative minimum tax that was based on adjustments or preference items that deferred tax rather than caused permanent avoidance of tax. If all of the minimum tax credit could not be used for 1988, the excess could be carried forward to future years.

Passive Losses

Under the Tax Reform Act of 1986, some of the "passive" losses (i.e., those generated by any trade, business, or rental activity in which the taxpayer did not materially participate), entered into before October 23, 1986 were allowed to offset "nonpassive income". For Tax Year 1988, 40 percent of such losses were allowed to offset nonpassive income, down from 65 percent allowed for 1987. These disallowed, or nondeductible, passive losses for 1988 could, in many cases, be carried forward to 1989.

Most of the passive loss activity was concentrated in partnerships and rental activities on Schedule E.

Pensions and Annuities

Beginning in 1988, the capital gains treatment of lump sum distributions received from pension plans was phased out except for those taxpayers born on or before January 1, 1936.

The amount of retirement distributions that could be made during the year without incurring the tax on excess distributions was increased to \$117,529 for 1988 from \$112,500 for 1987.

Self-Employment Tax

The maximum net earnings subject to self-employment tax increased to \$45,000 for 1988 from \$43,800 for 1987, and the net tax rate increased to 13.02 percent for 1988 from 12.30 percent for 1987.

Standard Deduction

For most taxpayers, the basic standard deduction was increased for 1988 over 1987. The standard deduction rose from \$2,540 to \$3,000 for single taxpayers, from \$3,760 to \$5,000 for those filing joint returns, from \$1,880 to \$2,500 for married filing separately, and from \$2,540 to \$4,400 for head of household. The standard deduction for taxpayers age 65 or older or blind remained the same as for 1987.

Tax Rates

For 1988, the tax rate schedules contained only two basic rates: 15 percent and 28 percent. But, taxable income over certain levels (\$43,150 if single, \$35,950 if married filing separately, \$61,650 if head of household, and \$71,900 if married filing jointly or a qualifying widow(er)) was subject to an additional 5 percent tax. The purpose of this was to phase out the benefit of the 15 percent tax rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. The benefits of the 15 percent tax rate bracket were phased out first. They were completely phased out for an individual at varying levels of taxable income according to filing status: \$89,560 for single taxpayers, \$113,300 for married filing separately, \$123,790 for heads of households, and \$149,250 for married filing jointly and qualifying widow(ers). After the benefits of personal exemptions were also phased out, the individual then paid a 28 percent tax on each additional dollar of taxable income.

The 1979 Income Concept A Retrospective Income Definition

In order to analyze changes in income and taxes over a period of years, an income concept with a consistent definition of income must be used. The income concept available from Federal income tax returns, adjusted gross income (AGI), was designed for tax administration and its definition changes to reflect tax law. New tax laws of the 1980's--the Economic Recovery Tax Act of 1981, the Tax Equity and Fiscal Responsibility Act of 1982, the Tax Reform Act of 1984, and the Tax Reform Act of 1986--made significant changes to the components of adjusted gross income (AGI), making it more difficult to use AGI for accurate comparisons of income from year to year.

For this reason, it was decided to develop an income definition that would be applicable over several years and allow comparisons both before and after the major tax legislation of the 1980's. The "retrospective" income definition that was developed was called the "1979 Income Concept" and reflected the base period 1979 through 1986. It was calculated using only data available from individual income tax returns; and, by using the same income items in the calculation each year, its definition was consistent throughout the base years. In addition, this "retrospective" income definition could be used to compare income of future years to income for these prior years by continuing to include the same components that were common to all years [1]. (For a more complete explanation of other income concepts see Appendix A of Section 4, "High Income Returns: Taxable and Nontaxable," in this report.)

The calculation of the 1979 Income Concept is shown in Figure 3. Several items partially excluded from AGI for the base years were fully included in this new income measure, the largest of which was the capital gains exclusion. The full amount of all capital gains, as well as all

**Figure 3—Calculation of the 1979
Income Concept for 1988**

1979 Total Income =

- Salaries and wages*
- + Interest*
- + Dividends (without any exclusion)*
- + Alimony received*
- + Capital gains (without any exclusion) and allowable losses*
- + Capital gains not reported on Schedule D (without any exclusion)*
- + Other gains or losses (Form 4797)*
- + Net business income or loss*
- + Net farm income or loss*
- + Net rent income or loss*
- + Net royalty income or loss*
- + Net partnership income or loss*
- + Net Subchapter S Corporation income or loss*
- + Net farm rental income or loss*
- + Net estate and trust income or loss*
- + Unemployment insurance income reported*
- + Depreciation in excess of straight-line depreciation**
- + Total pension income reported**
- + Net other income*
- LESS
- + Disallowed passive losses**
- + Moving expenses**
- + Employee business expenses (includes both reimbursed and unreimbursed)**
- + Alimony paid*

*Included in AGI for Tax Year 1988.

**Not fully included in AGI for Tax Year 1988.

dividends and unemployment compensation, was added to the income calculation. Total pensions, annuities, IRA distributions, and rollovers were added, including the nontaxable portion that was excluded from AGI. Social security benefits were omitted because they were not reported on the tax return until 1984. Also, any depreciation deduction in excess of straight-line depreciation that was subtracted in computing AGI was added back.

Deductions that could be subtracted in the calculation of the 1979 Income Concept were limited to employee business expenses, alimony paid, and moving expenses. These same items were also subtracted in computing AGI until 1987 when unreimbursed business expenses and moving expenses were changed from "adjustments" to "itemized deductions."

The Tax Reform Act of 1986 made extensive changes in the calculation of AGI beginning in 1987. These changes made it necessary to revise the calculation of the 1979 Income Concept in order to make tax years beginning with 1987 comparable to the base years, 1979 to 1986. The new law limited the deduction of passive losses and eliminated unreimbursed business expenses and moving expenses as "adjustments" in figuring AGI beginning with Tax Year 1987. Since passive losses had been fully deductible for both income measures prior to 1987, the disallowed passive losses for 1987 had to be deducted in the 1979 Income Concept calculation of 1987 income.

Unreimbursed business expenses and moving expenses were allowed only as an "itemized deduction" beginning in 1987, in contrast to prior years when these two expenses were subtracted in computing AGI. The amount reported for these two expenses by taxpayers who itemized deductions could be subtracted in the calculation of the 1979 Income Concept. But, taxpayers who did not itemize deductions could not claim either of these two expenses as they were allowed to do before 1987. For this reason, the deduction for these two expenses beginning in 1987 was not comparable to that for previous years.

Table B.—All Returns: Selected Income and Tax Items, By Size of Adjusted Gross Income and By 1979 Income Concept, 1988

[All figures are estimates based on samples—number of returns are in thousands and money amounts are in millions of dollars]

Size of income	Income				Salaries and wages			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All returns, total	109,708	3,083,020	109,708	3,106,549	93,257	2,337,984	93,257	2,337,984
Under \$10,000	33,286	116,389	33,034	109,285	26,052	124,860	25,885	121,932
\$10,000 under \$20,000	25,476	375,731	25,375	374,211	20,964	287,676	20,883	286,738
\$20,000 under \$30,000	16,797	414,039	17,031	420,284	15,015	342,770	15,083	344,390
\$30,000 under \$40,000	11,957	415,311	12,066	418,818	10,993	351,744	11,094	353,974
\$40,000 under \$50,000	8,265	369,116	8,305	370,462	7,658	312,719	7,703	313,835
\$50,000 under \$60,000	4,989	272,309	4,841	264,214	4,619	227,571	4,545	225,894
\$60,000 under \$70,000	2,932	189,218	2,938	189,851	2,703	156,524	2,705	156,353
\$70,000 under \$80,000	1,773	132,234	1,720	128,254	1,602	101,753	1,567	99,463
\$80,000 under \$90,000	1,067	90,244	1,073	90,830	951	68,649	971	68,633
\$90,000 under \$100,000	665	62,915	676	63,913	595	46,718	598	45,904
\$100,000 under \$125,000	882	97,787	937	103,835	760	65,950	808	68,043
\$125,000 under \$150,000	433	58,933	456	61,962	366	37,112	387	37,675
\$150,000 under \$175,000	277	44,619	300	48,272	230	25,744	248	27,069
\$175,000 under \$200,000	186	34,735	189	35,222	153	19,548	153	19,022
\$200,000 under \$300,000	335	81,064	355	85,931	274	45,167	288	45,345
\$300,000 under \$400,000	142	48,903	154	52,857	116	25,862	126	26,421
\$400,000 under \$500,000	72	31,948	75	33,372	60	16,819	60	16,462
\$500,000 under \$1,000,000	115	77,894	119	80,497	96	35,442	99	34,943
\$1,000,000 or more	62	169,631	65	174,482	52	45,357	54	45,888

Size of income	Taxable interest received				Dividends in AGI		Dividends received	
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All returns, total	69,421	186,982	69,421	186,982	22,903	77,330	22,903	77,330
Under \$10,000	14,664	21,561	14,449	21,564	3,399	4,242	3,313	4,261
\$10,000 under \$20,000	13,720	29,144	13,580	28,848	3,555	7,067	3,473	6,927
\$20,000 under \$30,000	11,266	21,460	11,476	23,752	3,124	5,565	3,248	6,297
\$30,000 under \$40,000	9,474	18,861	9,583	19,396	3,049	6,015	3,092	6,327
\$40,000 under \$50,000	7,157	14,969	7,217	15,099	2,672	4,736	2,683	5,191
\$50,000 under \$60,000	4,548	10,917	4,414	9,382	1,988	4,589	1,883	3,703
\$60,000 under \$70,000	2,761	7,801	2,755	7,963	1,352	3,970	1,345	4,037
\$70,000 under \$80,000	1,708	6,704	1,654	6,457	964	3,199	938	3,040
\$80,000 under \$90,000	1,024	5,185	1,034	4,286	598	2,519	613	2,342
\$90,000 under \$100,000	644	3,608	656	3,801	419	1,809	424	1,829
\$100,000 under \$125,000	858	6,165	915	6,332	569	3,658	615	3,635
\$125,000 under \$150,000	424	3,775	447	3,828	294	2,128	308	1,974
\$150,000 under \$175,000	271	3,344	293	3,112	202	2,008	214	2,098
\$175,000 under \$200,000	183	2,598	187	2,512	136	1,496	139	1,442
\$200,000 under \$300,000	331	5,939	351	5,963	255	3,536	271	3,516
\$300,000 under \$400,000	141	3,476	152	3,456	113	2,635	120	2,600
\$400,000 under \$500,000	71	2,281	74	2,274	59	1,786	63	1,784
\$500,000 under \$1,000,000	114	6,141	119	5,990	98	4,453	102	4,419
\$1,000,000 or more	62	13,055	65	12,966	56	11,917	59	11,909

Size of income	Business or profession net income less loss				Sales of capital assets			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns, total	13,571	126,323	13,571	126,323	14,286	153,768	14,286	153,768
Under \$10,000	2,873	1,839	2,852	1,849	1,964	6,683	1,919	7,264
\$10,000 under \$20,000	2,577	13,956	2,513	13,209	1,995	2,075	1,954	2,057
\$20,000 under \$30,000	2,207	14,245	2,204	13,532	1,876	2,992	1,959	3,152
\$30,000 under \$40,000	1,737	12,018	1,740	12,147	1,839	3,728	1,842	3,492
\$40,000 under \$50,000	1,300	10,588	1,339	10,812	1,521	3,605	1,555	4,448
\$50,000 under \$60,000	857	10,479	851	9,630	1,175	4,413	1,087	3,717
\$60,000 under \$70,000	528	7,139	538	7,114	851	3,338	822	3,210
\$70,000 under \$80,000	369	7,121	333	6,085	662	4,124	653	3,911
\$80,000 under \$90,000	244	5,774	248	5,631	432	2,517	445	2,610
\$90,000 under \$100,000	160	4,483	166	4,700	327	3,245	328	3,204
\$100,000 under \$125,000	249	8,016	267	8,571	479	6,275	509	6,513
\$125,000 under \$150,000	127	6,135	142	6,090	271	5,197	282	5,162
\$150,000 under \$175,000	84	3,828	93	4,371	189	4,798	203	4,591
\$175,000 under \$200,000	54	2,756	60	3,231	132	4,401	127	3,975
\$200,000 under \$300,000	96	6,187	105	6,969	247	10,304	259	10,109
\$300,000 under \$400,000	41	2,775	43	3,101	111	7,377	117	7,637
\$400,000 under \$500,000	19	1,687	20	1,818	58	4,826	61	5,030
\$500,000 under \$1,000,000	33	3,167	35	3,250	100	16,157	103	15,802
\$1,000,000 or more	19	4,131	20	4,214	57	57,716	60	57,884

Footnote(s) at end of table

Table B.—All Returns: Selected Income and Tax Items, By Size of Adjusted Gross Income and By 1979 Income Concept, 1988—Continued

[All figures are estimates based on samples—number of returns are in thousands and money amounts are in millions of dollars]

Size of income	Rents, royalties and farm rental net income less loss				Partnership and S Corporation net income less loss			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All returns, total	9,986	-1,279	9,986	-1,279	5,899	57,080	5,899	57,080
Under \$10,000	1,430	-1,996	1,366	-2,048	639	-15,950	646	-16,892
\$10,000 under \$20,000	1,550	34	1,568	-139	670	719	653	366
\$20,000 under \$30,000	1,459	-795	1,482	-727	619	491	618	662
\$30,000 under \$40,000	1,306	-1,196	1,312	-812	611	857	648	706
\$40,000 under \$50,000	1,088	-842	1,133	-1,074	614	1,641	609	1,607
\$50,000 under \$60,000	781	-1,177	728	-1,110	448	1,155	410	1,151
\$60,000 under \$70,000	531	-720	535	-496	356	1,446	345	1,513
\$70,000 under \$80,000	393	-142	380	-313	297	2,007	289	1,796
\$80,000 under \$90,000	267	-117	265	-160	208	1,460	217	1,500
\$90,000 under \$100,000	196	-174	196	-99	183	948	173	969
\$100,000 under \$125,000	293	165	306	-3	312	3,309	321	3,151
\$125,000 under \$150,000	151	311	160	283	181	2,761	187	2,627
\$150,000 under \$175,000	115	730	117	699	147	2,656	154	3,065
\$175,000 under \$200,000	78	336	80	370	103	2,497	103	2,322
\$200,000 under \$300,000	146	951	150	979	213	6,428	215	6,812
\$300,000 under \$400,000	69	686	70	665	102	4,319	109	4,509
\$400,000 under \$500,000	36	338	39	310	52	3,160	55	3,513
\$500,000 under \$1,000,000	61	985	62	1,018	91	8,768	93	8,909
\$1,000,000 or more	35	1,346	37	1,378	53	28,409	56	28,794
Size of income	Nondeductible passive losses				Estate and trust net income less loss			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All returns, total	1,678	19,237	1,678	19,237	597	4,094	597	4,094
Under \$10,000	138	5,599	161	7,750	90	90	96	98
\$10,000 under \$20,000	117	353	122	527	94	326	89	320
\$20,000 under \$30,000	126	491	111	410	71	277	63	251
\$30,000 under \$40,000	145	604	161	440	71	118	73	153
\$40,000 under \$50,000	141	523	141	426	49	176	57	118
\$50,000 under \$60,000	125	391	109	343	48	121	52	247
\$60,000 under \$70,000	87	329	79	340	29	155	23	74
\$70,000 under \$80,000	90	434	94	362	20	126	16	115
\$80,000 under \$90,000	49	287	60	340	8	45	12	40
\$90,000 under \$100,000	58	343	48	261	16	76	16	103
\$100,000 under \$125,000	119	848	121	833	26	178	22	158
\$125,000 under \$150,000	87	776	88	765	13	131	15	173
\$150,000 under \$175,000	79	839	78	652	9	172	9	101
\$175,000 under \$200,000	63	718	57	523	8	74	8	74
\$200,000 under \$300,000	114	1,808	107	1,318	17	246	17	264
\$300,000 under \$400,000	49	900	49	818	9	248	9	264
\$400,000 under \$500,000	26	625	27	506	5	86	5	88
\$500,000 under \$1,000,000	43	1,591	42	1,154	9	308	9	311
\$1,000,000 or more	23	1,778	24	1,467	6	1,143	6	1,141
Size of income	Pensions and annuities in AGI ¹		Pensions and annuities ¹		Total statutory adjustments			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)
All returns, total	18,109	149,904	19,246	199,147	10,747	28,202	9,641	29,552
Under \$10,000	2,977	11,742	2,907	11,725	865	1,198	247	1,036
\$10,000 under \$20,000	4,747	32,883	4,744	33,304	1,739	2,756	721	2,214
\$20,000 under \$30,000	2,950	25,850	3,180	28,484	2,242	4,321	1,426	3,858
\$30,000 under \$40,000	2,144	18,200	2,350	21,836	1,923	3,898	1,885	4,143
\$40,000 under \$50,000	1,825	16,461	2,002	19,761	1,424	2,579	1,740	3,957
\$50,000 under \$60,000	1,206	10,843	1,252	11,714	627	1,741	1,199	2,997
\$60,000 under \$70,000	765	8,365	829	10,661	477	1,618	785	2,418
\$70,000 under \$80,000	476	6,089	547	8,375	314	1,165	449	1,663
\$80,000 under \$90,000	297	3,490	352	5,920	213	1,011	303	1,232
\$90,000 under \$100,000	150	2,010	213	3,874	159	885	192	876
\$100,000 under \$125,000	228	3,637	327	8,047	244	1,449	254	1,431
\$125,000 under \$150,000	94	1,474	150	4,829	134	1,039	130	807
\$150,000 under \$175,000	64	1,285	95	3,471	87	748	81	575
\$175,000 under \$200,000	40	846	58	2,472	60	624	48	405
\$200,000 under \$300,000	66	1,622	106	5,967	114	1,333	86	732
\$300,000 under \$400,000	29	910	50	4,202	46	569	38	366
\$400,000 under \$500,000	14	512	23	1,993	24	351	19	209
\$500,000 under \$1,000,000	25	1,276	39	5,432	36	558	26	375
\$1,000,000 or more	14	2,408	22	7,079	19	360	12	256

Footnote(s) at end of table

Table B.—All Returns: Selected Income and Tax Items, By Size of Adjusted Gross Income and By 1979 Income Concept, 1988—Continued

[All figures are estimates based on samples—number of returns are in thousands and money amounts are in millions of dollars]

Size of income	Total itemized deductions				Taxable income			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)
All returns, total	31,903	395,216	31,895	379,783	90,282	2,069,967	90,282	2,069,967
Under \$10,000	896	7,193	909	7,556	15,611	30,589	15,535	30,831
\$10,000 under \$20,000	2,865	21,890	2,932	21,371	23,906	176,368	23,729	174,352
\$20,000 under \$30,000	4,579	35,244	4,652	34,266	16,677	254,334	16,882	257,462
\$30,000 under \$40,000	6,002	52,603	5,992	50,563	11,920	274,610	12,005	278,140
\$40,000 under \$50,000	5,525	54,530	5,489	52,309	8,254	255,121	8,281	256,650
\$50,000 under \$60,000	3,929	43,803	3,807	41,138	4,985	194,194	4,828	188,093
\$60,000 under \$70,000	2,547	33,284	2,536	31,774	2,930	136,891	2,932	136,661
\$70,000 under \$80,000	1,590	24,044	1,517	21,727	1,772	97,120	1,707	93,020
\$80,000 under \$90,000	968	16,109	966	15,622	1,065	67,390	1,066	65,837
\$90,000 under \$100,000	613	11,784	622	11,020	663	47,070	675	47,183
\$100,000 under \$125,000	828	18,075	855	17,510	881	74,451	934	76,200
\$125,000 under \$150,000	412	10,691	429	10,201	432	45,637	453	46,256
\$150,000 under \$175,000	265	7,698	278	7,670	277	35,270	300	36,633
\$175,000 under \$200,000	178	5,755	175	5,234	186	27,894	188	27,204
\$200,000 under \$300,000	324	12,757	335	12,432	334	66,396	355	67,081
\$300,000 under \$400,000	138	6,929	149	6,916	141	41,164	153	42,025
\$400,000 under \$500,000	70	4,425	73	4,445	71	27,115	75	27,359
\$500,000 under \$1,000,000	112	9,765	116	9,440	115	67,560	119	66,973
\$1,000,000 or more	61	18,636	64	18,588	62	150,793	65	152,009

Size of income	Total tax credits				Total income tax			
	Size of AGI		1979 Income concept		Size of AGI		1979 Income concept	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(57)	(58)	(59)	(60)	(61)	(62)	(63)	(64)
All returns, total	14,099	7,047	14,099	7,047	87,135	412,870	87,135	412,870
Under \$10,000	726	116	709	114	14,937	4,624	14,876	4,829
\$10,000 under \$20,000	5,633	1,939	5,628	1,940	21,534	24,550	21,347	24,261
\$20,000 under \$30,000	2,048	969	2,080	970	16,603	38,640	16,808	39,143
\$30,000 under \$40,000	1,844	859	1,838	862	11,896	44,139	11,979	44,795
\$40,000 under \$50,000	1,407	635	1,430	639	8,250	42,768	8,276	43,190
\$50,000 under \$60,000	899	418	869	397	4,984	35,979	4,829	34,908
\$60,000 under \$70,000	539	269	523	256	2,930	27,414	2,932	27,434
\$70,000 under \$80,000	293	163	297	145	1,772	20,686	1,707	19,791
\$80,000 under \$90,000	183	158	166	137	1,066	14,996	1,066	14,602
\$90,000 under \$100,000	90	75	98	62	664	10,951	675	10,945
\$100,000 under \$125,000	142	162	154	143	881	18,409	934	18,701
\$125,000 under \$150,000	71	98	69	67	433	11,991	454	12,118
\$150,000 under \$175,000	44	76	52	94	277	9,636	300	9,963
\$175,000 under \$200,000	33	84	33	63	186	7,801	188	7,613
\$200,000 under \$300,000	56	134	61	211	335	19,250	355	19,190
\$300,000 under \$400,000	29	121	30	143	142	11,756	153	11,942
\$400,000 under \$500,000	16	82	17	93	72	7,695	75	7,748
\$500,000 under \$1,000,000	26	225	28	242	115	19,163	119	18,926
\$1,000,000 or more	19	463	20	468	62	42,423	65	42,771

¹ Individual Retirement Arrangements are included in the calculation of pensions and annuities in AGI and pensions and annuities

Comparison of AGI with 1979 Income Concept

The Tax Reform Act of 1986 made extensive changes in the composition of AGI beginning in Tax Year 1987. The Act incorporated into AGI most of the income items included in the 1979 Income Concept. Some income, such as capital gains, that had been partially excluded from AGI under prior law was fully included. The new law also eliminated or restricted some deductions. For this reason, if AGI is used to measure income, any comparison of 1986 income and tax data with that for 1987 or 1988 is misleading. A more accurate comparison can be made using the 1979 Income Concept because it measures income in the same way for all three years.

Table B shows total income and selected tax items for 1988 using AGI and the 1979 Income Concept. Income, as calculated by the two measures, showed little difference for 1988 with

most provisions of the Tax Reform Act of 1986 (TRA) in effect. Before tax reform, when income measured by AGI and the 1979 Income Concept were compared at each income level, the differences were most pronounced at income levels of \$200,000 or more. But, with the elimination of preferential treatment of various income items by TRA, such as the exclusion of capital gains, much of the difference disappeared. Under tax law prior to 1987, the capital gains exclusion accounted for the largest difference at the higher income levels between the two income measures.

Total income for all returns, using the 1979 Income Concept, increased over 10 percent from 1987 to 1988; but total income for the highest income group—\$200,000 and above—increased over 50 percent. Total income taxes reported for the \$200,000 and above income group increased almost 38 percent from 1987 to 1988.

Figure 4.—Total Income Tax as a Percentage of Income, 1986–1988

Size of Income	Taxes as a percentage of adjusted gross income			Taxes as a percentage of 1979 Income Concept		
	1986	1987	1988	1986	1987	1988
	(1)	(2)	(3)	(4)	(5)	(6)
All returns, total	14.8%	13.3%	13.4%	13.3%	13.1%	13.3%
Under \$10,000	4.3	4.0	4.0	4.9	4.2	4.4
\$10,000 under \$20,000	7.8	6.8	6.5	7.6	6.7	6.5
\$20,000 under \$30,000	10.6	9.4	9.3	10.0	9.3	9.3
\$30,000 under \$40,000	12.2	10.6	10.6	11.6	10.7	10.7
\$40,000 under \$50,000	13.8	11.8	11.6	12.6	11.7	11.7
\$50,000 under \$60,000	15.5	13.5	13.2	13.8	13.4	13.2
\$60,000 under \$70,000	16.9	15.1	14.5	14.9	15.0	14.5
\$70,000 under \$80,000	18.7	16.5	15.6	15.8	16.2	15.4
\$80,000 under \$90,000	19.9	17.8	16.6	16.7	17.5	16.1
\$90,000 under \$100,000	20.8	18.8	17.4	16.8	18.1	17.1
\$100,000 under \$125,000	23.1	20.1	18.8	18.3	19.3	18.0
\$125,000 under \$150,000	25.2	21.8	20.3	19.0	20.6	19.6
\$150,000 under \$175,000	28.0	23.0	21.6	19.3	21.2	20.6
\$175,000 under \$200,000	29.3	23.9	22.5	20.3	22.5	21.6
\$200,000 under \$300,000	31.1	25.8	23.7	22.6	23.8	22.3
\$300,000 under \$400,000	33.7	27.0	24.0	22.6	24.5	22.6
\$400,000 under \$500,000	36.2	28.2	24.1	23.4	26.5	23.2
\$500,000 under \$1,000,000	38.4	29.0	24.6	23.7	26.7	23.5
\$1,000,000 or more	40.2	28.6	25.0	21.4	26.8	24.5

The average tax rates (income tax as a percentage of total income) for each income class for 1986, 1987, and 1988, based on AGI and the 1979 Income Concept, are shown in Figure 4. Based on the 1979 Income Concept, average tax rates declined or remained the same from 1987 to 1988 in every income category with the exception of incomes under \$10,000, which rose slightly. At incomes over \$70,000 the decrease was larger, with incomes of \$200,000 and above showing the largest decline in average tax rates. A factor in this larger decrease for the highest income groups was the lower marginal tax rate of 28 percent for 1988 compared to 38.5 percent for 1987.

When average tax rates for 1988 (based on the 1979 Income Concept) are compared to those for 1986 (before tax reform), the rates declined for incomes below \$90,000. For incomes of \$90,000 and above, average tax rates increased for most income groups, especially for incomes of \$1,000,000 and over, which rose from 21.4 percent for 1986 to 24.5 percent for 1988.

Although this higher average tax rate for 1988 was calculated using a lower marginal tax rate—28 percent for 1988 compared to 50 percent for 1986—it was calculated on income which included all capital gains (long-term gains could be partially excluded from income for 1986.) Also, certain deductions from income that were allowed for 1986, were limited or eliminated for 1987 and 1988.

Notes And References

- [1] Hostetter, Susan, "Measuring Income for Developing and Reviewing Individual Tax Law Changes: Exploration of Alternative Concepts," *Statistics of Income and Related Administrative Record Research: 1986-1987*, U.S. Department of the Treasury, Internal Revenue Service, 1987.

Section 2

Description of the Sample*

This section describes the sample selection and criteria, and the method of estimation contained in this report. It also describes some of the limitations of the data.

Sample Selection

The statistics in this report were estimated from a stratified probability sample of unaudited Individual Income Tax Returns, Forms 1040, 1040A, and 1040EZ filed by U.S. citizens and residents. The sample was designated at the Martinsburg Computing Center and was processed at the ten Internal Revenue Service (IRS) Centers during Calendar Year 1989. The total sample of 110,634 returns was selected from a population of 110,088,189 returns.

All returns processed during 1989 were subjected to sampling except tentative and amended returns. Tentative returns were not subjected to sampling because the revised returns may have been sampled later on, while amended returns were excluded because the original returns had already been subjected to sampling. A small percentage of returns were not identified as tentative or amended until after sampling. These returns along with those that contained no income information were excluded from the tables in this report. Sample returns representing 377,023 returns were excluded from the tables as a result.

The estimates in this report are intended to represent all returns filed for Tax Year 1988. While about 97 percent of the returns processed during Calendar Year 1989 were for Tax Year 1988, a few were for noncalendar years ending during 1988 and 1989, and some were returns for prior years. Returns for prior years were used in place of 1988 returns received and processed after December 31, 1989. This was done in the belief that the characteristics of returns due but not yet processed could best be represented by the returns for previous income years that were processed in 1989. Therefore, data for Tax Year 1988 may include amounts for discontinued items, such as the deduction for a working married couple, reported on prior year returns processed in 1989.

Sample Design and Selection Criteria

Data from Forms 1040, 1040A, and 1040EZ processed to the IRS Individual Master File System at the National Computing Center during Calendar Year 1989 were classified, by computer, into sample strata. These strata were based on the larger of total income or total loss amounts and the size of business plus farm receipts. In addition, the strata were based on the presence or absence of a Form 2555, Foreign Earned Income; a Form 1116, Computation of Foreign Tax Credit; a Schedule C, Profit or Loss from

*Bonnye Walker designed the sample and prepared the text and tables in this section under the direction of Yahia Ahmed, Chief, Mathematical Statistics Team, Coordination and Publication Staff.

Business; a Schedule F, Farm Income and Expenses; and a Form 4835, Farm Rental Income and Expenses. Twenty variables were used to derive the total income and loss amounts.

Returns were then selected from the sample strata using two methodologies. One method used certain ending digits of the social security number (SSN), and the second method used ending digits of numbers generated from transformations of the SSN. The sampling rates for the various strata ranged from 0.03 percent to 100 percent.

Table C contains the number of returns in the population and sample-by-sample stratum for the United States. A comparison of the population counts in Table C with the total shown in the national tables of this report will disclose a small difference. This difference is the result of having excluded an estimated 377,023 returns (see below).

Method of Estimation

Weighting factors were obtained by dividing the population count of returns in a sample stratum by the number of sample returns for that stratum. These weighting factors were used to generate all of the estimated numbers of returns and amounts in this report.

Table Presentation

Whenever a weighted frequency is less than 3, the estimate and its corresponding amount are combined or deleted in order to avoid disclosure of information for specific taxpayers. These combinations and deletions are indicated by a double asterisk (**) and by a dagger (†), respectively. Estimates based on less than 10 sampled returns are considered to be unreliable. These estimates are noted by a single asterisk (*) to the left of the data unless all of the sampled returns are selected with certainty (at the 100 percent rate).

In the tables, a dash (-) in place of a frequency or an amount indicates that either no returns in the population had the characteristic or the characteristic was so rare that it did not appear on any of the sampled returns.

Processing and Management of the Sample

While the sample was being selected, the selection process was monitored by applying prescribed sampling rates for each stratum to the population for that stratum. A follow-up was required to reconcile differences between the actual number of returns designated for each sample strata and the expected number.

In transcribing and tabulating the information from the returns in the sample, checks were imposed to improve the quality of the resulting estimates. Incorrect or missing entries on the sampled record were altered during statistical editing to make them consistent with other entries on the return and accompanying schedules. Data were also adjusted during processing in an attempt to achieve consistent statistical definitions. For example, a taxpayer may have reported director's fees on the "other income" line of the Form 1040 return. If this situation had been detected during statistical processing, the amount of director's fees would have been transferred to salaries and wages in the sample record.

The quality of the sample data was controlled at the IRS service centers by means of a continuous verification system that used computer tests to check for mathematical errors and inconsistent or missing data [1, 2].

Some returns designated for the sample are not available for SOI processing because other areas of IRS, such as Audit and Collection, need the return at the same time as SOI. These returns are referred to as unavailable returns. During Tax Year 1988, there were 166 unavailable returns which constituted about one tenth of one percent of the designated sample. The chart below

Table C.—Number of Forms 1040, 1040A and 1040EZ in the Population and Sample, 1988

Description of the sample strata	Number of Returns	
	United States Total	
	Population Counts	Sample Counts
	(1)	(2)
Grand total	110,088,189 ¹	110,634
Form 1040 returns only with adjusted gross income of \$200,000 and over with no income tax after credits and no additional tax for tax preferences, total	1,098	1,098 ²
Form 1040 returns only with combined Schedule C (business or profession) net profit or net loss of \$350,000 and over, total	13,852	13,852
Larger of total income amount or total loss amount and Size of business receipts plus farm receipts		
Forms 1040 only with Form 2555, total	176,660	588
Under \$50,000	96,452	30
\$50,000 under \$100,000		
Under \$50,000	\$500,000 under \$1,000,000	13
\$100,000 under \$500,000	Under \$1,000,000	
Under \$100,000	\$1,000,000 under \$10,000,000	147
\$500,000 under \$2,000,000	Under \$10,000,000	
Under \$500,000	\$10,000,000 under \$30,000,000	282
\$2,000,000 and over	Any amount	
Under \$2,000,000	\$30,000,000 and over	116
Forms 1040 only with Form 1116, but without Form 2555, total	536,130	3,152
Under \$50,000	216,633	61
\$50,000 under \$100,000	Under \$500,000	
Under \$50,000	\$500,000 under \$1,000,000	38
\$100,000 under \$500,000	Under \$1,000,000	
Under \$100,000	\$1,000,000 under \$10,000,000	601
\$50,000 under \$2,000,000	Under \$10,000,000	
Under \$500,000	\$10,000,000 under \$30,000,000	1,196
\$2,000,000 and over	Any amount	
Under \$2,000,000	\$30,000,000 and over	1,256
Forms 1040 only with Schedule C, but without Form 2555 or Form 1116, total	13,588,893	22,411
Under \$25,000	Under \$200,000	2,739
\$25,000 under \$50,000	Under \$500,000	
Under \$25,000	\$200,000 under \$500,000	3,188
\$50,000 under \$100,000	Under \$1,000,000	
Under \$50,000	\$500,000 under \$1,000,000	3,717
\$100,000 under \$200,000	Under \$5,000,000	
Under \$100,000	\$1,000,000 under \$5,000,000	2,163
\$200,000 under \$500,000	Under \$10,000,000	
Under \$200,000	\$5,000,000 under \$10,000,000	2,139
\$500,000 under \$1,000,000	Under \$20,000,000	
Under \$500,000	\$10,000,000 under \$20,000,000	1,719
\$1,000,000 under \$2,000,000	Under \$30,000,000	
Under \$1,000,000	\$20,000,000 under \$30,000,000	2,510
\$2,000,000 under \$5,000,000	Under \$50,000,000	
Under \$2,000,000	\$30,000,000 under \$50,000,000	2,583
\$5,000,000 and over	Any amount	
Under \$5,000,000	\$50,000,000 and over	1,653
Forms 1040 only with Schedule F, but without Form 2555, Form 1116, or Schedule C, total	1,840,508	4,183
Under \$25,000	Under \$200,000	306
\$25,000 under \$50,000	Under \$500,000	
Under \$25,000	\$200,000 under \$500,000	432
\$50,000 under \$100,000	Under \$1,000,000	
Under \$50,000	\$500,000 under \$1,000,000	391
\$100,000 under \$200,000	Under \$5,000,000	
Under \$100,000	\$1,000,000 under \$5,000,000	205
\$200,000 under \$500,000	Under \$10,000,000	
Under \$200,000	\$5,000,000 under \$10,000,000	251
\$500,000 under \$1,000,000	Under \$20,000,000	
Under \$500,000	\$10,000,000 under \$20,000,000	312
\$1,000,000 under \$2,000,000	Under \$30,000,000	
Under \$1,000,000	\$20,000,000 under \$30,000,000	1,108
\$2,000,000 under \$5,000,000	Under \$50,000,000	
Under \$2,000,000	\$30,000,000 under \$50,000,000	946
\$5,000,000 and over	Any amount	
Under \$5,000,000	\$50,000,000 and over	232
Forms 1040, 1040A and 1040EZ without Form 2555, Form 1116, Schedule C, or Schedule F, total	93,931,048	65,350
Under \$25,000	59,863,863	20,949
\$25,000 under \$50,000	22,988,274	9,722
\$50,000 under \$100,000	9,283,529	7,751
\$100,000 under \$200,000	1,293,217	4,379
\$200,000 under \$500,000	383,309	4,625
\$500,000 under \$1,000,000	78,129	4,070
\$1,000,000 under \$2,000,000	26,925	53690
\$2,000,000 under \$5,000,000	10,621	5,305
\$5,000,000 and over	3,181	3,181
Not applicable		

¹ This population includes an estimated 377,023 returns that were excluded from other tables in this report because they contained no income information or represented amended or tentative returns identified after sampling² This population includes 281 Form 1040 returns that have alternative minimum tax other than zero

contains the percentage of unavailable returns for Tax Years 1985-1988.

Year	1985	1986	1987	1988
Percent	1.8	0.3	0.1	0.1

After the completion of service center review, data were further validated, tested, and balanced at the Detroit Computing Center. Computer adjustments and imputations for selected fields were used to make each record internally consistent. Data were then tabulated.

A small subsample of returns was selected and independently reviewed, analyzed, and processed for a quality evaluation. Finally, prior to publication, all statistics and tables were reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series, and statistical techniques used in data processing.

Sample Redesign

A complete revision to the sample design used to produce the statistics from individual income tax returns is being phased in over a 5-year period beginning with Tax Year 1987 and ending with Tax Year 1991. In addition to new strata classes and methods of estimation, the revisions include the development of a longitudinal panel. For additional details on the redesign see [3], [4], [5], [6] and [7].

Notes and References

[1] Durkin, T. M., and Schwartz, O. (1981), "The SOI Quality Control Program," in *Proceedings of the Section on Survey*

Research Methods, American Statistical Association, 478-483.

[2] Sailer, P., Hicks, C., Watson, D., and Trevors, D. (1982), "Results of Coverage and Processing Changes to the 1980 Individual Statistics of Income Program," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 452-457.

[3] Czajka, J. L. (1988), "Development of a New Income Stratifier for a Sample of Individual Tax Returns," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 640-645.

[4] Czajka, J. L., and Walker, B. (1989), "Combining Panel and Cross-Sectional Selection in an Annual Sample of Tax Returns," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 463-468.

[5] Czajka, J. L., and Schirm, A. L. (1990), "Overlapping Membership in Annual Samples of Individual Tax Returns," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 413-418.

[6] Hostetter, S., Czajka, J. L., Schirm, A. L., and O'Connor, K. (1990), "Choosing the Appropriate Income Classifier for Economic Tax Modeling," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 419-424.

[7] Schirm, A. L., and Czajka, J. L. (1990), "Intertemporal Stability in Total Income and the Overlap in Annual Samples of Tax Returns," in *Proceedings of the Section on Survey Research Methods, American Statistical Association*, 407-412.

Section 3

Basic Tables*

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*Production and review of tables was coordinated by June Walters. Louella Ballenger, William Bradley, Edward Gross, Jr., Charles Hicks, Barbara Marshall, Kenneth Rice, and Emily Ring were responsible for specific tables.

Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percent of total	Adjusted gross income less deficit			Number of returns	Percent of total	Adjusted gross income less deficit	
			Amount	Percent of total	Average (dollars)			Amount	Percent of total
Size of Adjusted Gross Income	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	109,708,280	100.0	3,083,019,783	100.0	28,102	87,135,332	100.0	2,989,915,092	100.0
No adjusted gross income	835 420	0 8	- 41 136,289	(¹)	- 49 240	5,952	(¹)	- 3 558,231	(¹)
\$1 under \$1,000	3 126,849	2 9	1 859 321	0 1	595	904 855	1 0	680 691	(²)
\$1,000 under \$2,000	3 867 063	3 5	5,783 536	0 2	1,496	1,084 349	1 2	1 591 311	0 1
\$2,000 under \$3,000	3 589 370	3 3	8,921 465	0 3	2,486	884 236	1 0	2 201 835	0 1
\$3,000 under \$4,000	3 347 791	3 1	11 705,181	0 4	3,496	1,341 720	1 5	4 669 966	0 2
\$4,000 under \$5,000	3 118,816	2 8	14 016,183	0 5	4 494	949 608	1 1	4 279 048	0 1
\$5,000 under \$6,000	3 083 053	2 8	17 011 716	0 6	5,518	1,979 501	2 3	10,924,397	0 4
\$6,000 under \$7,000	3 134 576	2 9	20,385,726	0 7	6,504	2,019,102	2 3	13,129 220	0 4
\$7,000 under \$8,000	3,139 547	2 9	23,485,451	0 8	7,481	1,915,160	2 2	14 315,836	0 5
\$8,000 under \$9,000	3,051 747	2 8	25,947,056	0 8	8,502	1,940,746	2 2	16,513 134	0 6
\$9,000 under \$10,000	2 991 996	2 7	28,410,071	0 9	9,495	1,911,374	2 2	18 153,480	0 6
\$10,000 under \$11,000	2 857 935	2 6	29 994,051	1 0	10,495	2 023,118	2 3	21,246,831	0 7
\$11,000 under \$12,000	2 704,240	2 5	31,093 843	1 0	11,498	1,916,366	2 2	22,061 176	0 7
\$12,000 under \$13,000	2 725,537	2 5	34 059,583	1 1	12,496	2 080 175	2 4	25,998 673	0 9
\$13,000 under \$14,000	2 802 095	2 6	37,801,217	1 2	13,490	2 195,157	2 5	29,624 653	1 0
\$14,000 under \$15,000	2 626,234	2 4	38 023,673	1 2	14,478	2 189 640	2 5	31 704,722	1 1
\$15,000 under \$16,000	2 598,308	2 4	40,272,975	1 3	15,500	2 362,514	2 7	36 621 178	1 2
\$16,000 under \$17,000	2 367 239	2 2	39,102,465	1 3	16,518	2 194,035	2 5	36,250,230	1 2
\$17,000 under \$18,000	2 456 793	2 2	43,013,019	1 4	17,508	2,342,965	2 7	41,029 605	1 4
\$18,000 under \$19,000	2 196 171	2 0	40 600,463	1 3	18,487	2 131 858	2 4	39 418 043	1 3
\$19,000 under \$20,000	2 141 719	2 0	41 769,448	1 4	19,503	2,098 442	2 4	40 929,611	1 4
\$20,000 under \$25,000	9 278 762	8 5	207,837,324	6 7	22 399	9,141,213	10 5	204 811 083	6 9
\$25,000 under \$30,000	7 517 739	6 9	206,201 583	6 7	27 429	7,461 750	8 6	204 667 435	6 8
\$30,000 under \$40,000	11 956,599	10 9	415,310,642	13 5	34 735	11,895,769	13 7	413 203,096	13 8
\$40,000 under \$50,000	8,264 514	7 5	369 115,676	12 0	44 663	8,249,552	9 5	368 437,697	12 3
\$50,000 under \$75,000	8,904 085	8 1	532 715,520	17 3	59,828	8,897,085	10 2	532,315 125	17 8
\$75,000 under \$100,000	2 520 476	2 3	214 204,828	6 9	84 986	2,518,463	2 9	214 024 329	7 2
\$100,000 under \$200,000	1 778,258	1 6	236,074,161	7 7	132 756	1,776,104	2 0	235 793 141	7 9
\$200,000 under \$500,000	548 472	0 5	161 914,657	5 3	295,210	547,869	0 6	161,736,529	5 4
\$500,000 under \$1,000,000	114 808	0 1	77,893,798	2 5	678,470	114 682	0 1	77 808 122	2 6
\$1,000,000 or more	62 065	0 1	169 631 441	5 5	2 733,126	61,972	0 1	169 333,126	5 7

Size and accumulated size of adjusted gross income	Taxable returns—Continued									
	Taxable income			Income tax after credits			Total income tax			
	Number of returns	Amount	Percent of total	Number of returns	Amount	Percent of total	Amount	Percent of		
								Total	Taxable income	Average income tax (dollars)
Size of Adjusted Gross Income	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total	87,088,935	2,061,956,733	100.0	87,120,969	411,842,025	100.0	412,869,909	100.0	20.0	4.738
No adjusted gross income	—	—	—	14	715	(¹)	108,837	(¹)	(¹)	18,286
\$1 under \$1,000	896,271	171 576	(¹)	904,844	30,726	(²)	31 040	(¹)	18 1	4 6
\$1,000 under \$2,000	1 084 347	517 517	(²)	1,084,347	89,217	(²)	89,331	(²)	17 3	5 6
\$2,000 under \$3,000	881 379	498 747	(³)	884 236	83,777	(³)	83 777	(³)	16 8	3 8
\$3,000 under \$4,000	1 338 860	986 471	(⁴)	1 341 718	157,216	(⁴)	157 267	(⁴)	15 9	3 4
\$4,000 under \$5,000	946 750	1 456,532	0 1	949 608	238,795	0 1	238 795	0 1	16 4	5 6
\$5,000 under \$6,000	1,979,495	2 509 815	0 1	1,979,495	376,308	0 1	376,454	0 1	15 0	3 4
\$6,000 under \$7,000	2 019 101	3 832 068	0 2	2,019 101	567,850	0 1	567 852	0 1	14 8	4 3
\$7,000 under \$8,000	1 905,206	5,080,138	0 2	1,915,160	789,638	0 2	789 638	0 2	15 5	5 5
\$8,000 under \$9,000	1 938 165	6 737 596	0 3	1 940 741	1 013,597	0 2	1,013,683	0 2	15 0	6 1
\$9,000 under \$10,000	1 911 374	7 872 207	0 4	1 911,374	1 166,984	0 3	1 166 984	0 3	14 8	6 4
\$10,000 under \$11,000	2 023 012	9 330 936	0 5	2,023,012	1 381 529	0 3	1,381 952	0 3	14 8	6 5
\$11,000 under \$12,000	1 916,069	10 254,744	0 5	1,916,069	1 517 688	0 4	1 519,100	0 4	14 8	6 9
\$12,000 under \$13,000	2 079 875	12 742 359	0 6	2 079 875	1,829,596	0 4	1 832 371	0 4	14 4	7 0
\$13,000 under \$14,000	2 195,156	15,019,043	0 7	2 195,156	2,128,938	0 5	2 128,951	0 5	14 2	7 2
\$14,000 under \$15,000	2 189 554	16 818,013	0 8	2 189 554	2,379 670	0 6	2 382,438	0 6	14 2	7 5
\$15,000 under \$16,000	2 362 431	19 454 549	0 9	2,362 431	2,706 451	0 7	2 710,372	0 7	13 9	7 4
\$16,000 under \$17,000	2 193,734	19 414 654	0 9	2 193,734	2 743,356	0 7	2 743 404	0 7	14 1	7 6
\$17,000 under \$18,000	2 342 945	22 156 085	1 1	2 342 945	3,219,594	0 8	3,219 645	0 8	14 5	7 8
\$18,000 under \$19,000	2 131 774	21 712 972	1 1	2 131 773	3,164 578	0 8	3,165,841	0 8	14 6	8 0
\$19,000 under \$20,000	2 098 348	23 635,046	1 1	2,098 348	3 461,504	0 8	3,465,798	0 8	14 7	8 5
\$20,000 under \$25,000	9 140,158	123 509 540	6 0	9,140,158	18,266,445	4 4	18 278 344	4 4	14 8	8 9
\$25,000 under \$30,000	7 459 032	130 308 553	6 3	7 461 397	20,350,002	4 9	20,361 642	4 9	15 6	9 9
\$30,000 under \$40,000	11 895 037	274 212 100	13 3	11 895,037	44 110,509	10 7	44 138,991	10 7	16 1	10 7
\$40,000 under \$50,000	8,248 966	254 956 048	12 4	8,248,966	42,743 177	10 4	42 768,361	10 4	16 8	11 6
\$50,000 under \$75,000	8,895 457	383,057 897	18 6	8,895,457	74 303,253	18 0	74 340,917	18 0	19 4	14 0
\$75,000 under \$100,000	2 518 146	159 573,901	7 7	2 518,146	35,630,908	8 7	35 685,329	8 6	22 4	16 7
\$100,000 under \$200,000	1 774 587	183,184 673	8 9	1,774 587	47,647,960	11 6	47,647,960	11 6	26 1	20 3
\$200,000 under \$500,000	547 249	134 655,949	6 5	547 229	38,446,620	9 3	38 699 740	9 4	28 7	23 9
\$500,000 under \$1,000,000	114 562	67 552 225	3 3	114,564	19,040,602	4 6	19 162,981	4 6	28 4	24 6
\$1,000,000 or more	61 896	150 744 777	7 3	61,896	42,254 821	10 3	42 422 678	10 3	28 1	25 1

Footnote(s) at end of table

Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percent of total	Adjusted gross income less deficit			Number of returns	Percent of total	Adjusted gross income less deficit	
			Amount	Percent of total ¹	Average (dollars)			Amount	Percent of total ¹
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Cumulated from Smallest Size of Adjusted Gross Income									
No adjusted gross income	835,420	0.8	- 41,136,289	(³)	- 49,240	5,952	(²)	- 3,558,231	(³)
\$1 under \$1,000	3,126,849	2.9	1,859,321	0.1	595	904,855	1.0	680,691	(²)
\$1 under \$2,000	6,993,911	6.4	7,642,857	0.2	1,093	1,989,204	2.3	2,272,001	0.1
\$1 under \$3,000	10,583,281	9.6	16,564,322	0.5	1,565	2,873,440	3.3	4,473,836	0.1
\$1 under \$4,000	13,931,072	12.7	28,269,503	0.9	2,029	4,215,160	4.8	9,143,803	0.3
\$1 under \$5,000	17,049,889	15.5	42,285,686	1.4	2,480	5,164,768	5.9	13,422,851	0.4
\$1 under \$6,000	20,132,942	18.4	59,297,402	1.9	2,945	7,144,269	8.2	24,347,248	0.8
\$1 under \$7,000	23,267,518	21.2	79,683,128	2.6	3,425	9,163,371	10.5	37,476,468	1.3
\$1 under \$8,000	26,407,065	24.1	103,168,579	3.3	3,907	11,078,531	12.7	51,792,304	1.7
\$1 under \$9,000	29,458,813	26.9	129,115,635	4.1	4,383	13,019,276	14.9	68,305,439	2.3
\$1 under \$10,000	32,450,809	29.6	157,525,705	5.0	4,854	14,930,650	17.1	86,458,919	2.9
\$1 under \$11,000	35,308,743	32.2	187,519,756	6.0	5,311	16,953,768	19.5	107,705,750	3.6
\$1 under \$12,000	38,012,984	34.6	218,613,600	7.0	5,751	18,870,134	21.7	129,766,926	4.3
\$1 under \$13,000	40,738,521	37.1	252,673,183	8.1	6,202	20,950,309	24.0	155,765,600	5.2
\$1 under \$14,000	43,540,616	39.7	290,474,400	9.3	6,671	23,145,466	26.6	185,390,252	6.2
\$1 under \$15,000	46,166,850	42.1	328,498,073	10.5	7,115	25,335,107	29.1	217,094,974	7.3
\$1 under \$16,000	48,765,158	44.4	368,771,048	11.8	7,562	27,697,620	31.8	253,716,152	8.5
\$1 under \$17,000	51,132,398	46.6	407,873,513	13.1	7,977	29,891,655	34.3	289,966,382	9.7
\$1 under \$18,000	53,589,191	48.8	450,886,533	14.4	8,414	32,234,620	37.0	330,995,988	11.1
\$1 under \$19,000	55,785,362	50.8	491,486,995	15.7	8,810	34,366,478	39.4	370,414,031	12.4
\$1 under \$20,000	57,927,081	52.8	533,256,444	17.1	9,206	36,464,921	41.8	411,343,641	13.7
\$1 under \$25,000	67,205,842	61.3	741,093,768	23.7	11,027	45,606,134	52.3	616,154,725	20.6
\$1 under \$30,000	74,723,581	68.1	947,295,351	30.3	12,677	53,067,884	60.9	820,822,160	27.4
\$1 under \$40,000	86,680,181	79.0	1,362,605,993	43.6	15,720	64,963,653	74.6	1,234,025,255	41.2
\$1 under \$50,000	94,944,695	86.5	1,731,721,668	55.4	18,239	73,213,205	84.0	1,602,462,952	53.5
\$1 under \$75,000	103,848,780	94.7	2,264,437,188	72.5	21,805	82,110,290	94.2	2,134,778,077	71.3
\$1 under \$100,000	106,369,256	97.0	2,478,642,016	79.3	23,302	84,628,753	97.1	2,348,802,406	78.5
\$1 under \$200,000	108,147,514	98.6	2,714,716,176	86.9	25,102	86,404,857	99.2	2,584,595,546	86.3
\$1 under \$500,000	108,695,986	99.1	2,876,630,833	92.1	26,465	86,952,726	99.8	2,746,332,075	91.7
\$1 under \$1,000,000	108,810,795	99.2	2,954,524,631	94.6	27,153	87,067,408	99.9	2,824,140,197	94.3
\$1 or more	108,872,859	99.2	3,124,156,072	100.0	28,695	87,129,380	100.0	2,993,473,323	100.0
All returns	109,708,280	100.0	3,083,019,783	98.7	28,102	87,135,332	100.0	2,989,915,092	99.9

Size and accumulated size of adjusted gross income	Taxable returns—Continued										
	Taxable income			Income tax after credits			Total income tax				
	Number of returns	Amount	Percent of total	Number of returns	Amount	Percent of total	Amount	Percent of			Average income tax (dollars)
								Total	Taxable income	Adjusted gross income less deficit	
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Cumulated from Smallest Size of Adjusted Gross Income											
No adjusted gross income	—	—	—	14	715	(²)	108,837	(²)	(³)	(³)	18,286
\$1 under \$1,000	896,271	171,576	(²)	904,844	30,726	(²)	31,040	(²)	18.1	4.6	34
\$1 under \$2,000	1,980,618	689,093	(²)	1,989,191	119,943	(²)	120,371	(²)	17.5	5.3	61
\$1 under \$3,000	2,861,997	1,187,840	0.1	2,873,427	203,720	(²)	204,148	(²)	17.2	4.6	71
\$1 under \$4,000	4,200,857	2,174,311	0.1	4,215,145	360,936	0.1	361,416	0.1	16.6	4.0	86
\$1 under \$5,000	5,147,607	3,630,843	0.2	5,164,753	599,731	0.1	600,211	0.1	16.5	4.5	116
\$1 under \$6,000	7,127,102	6,140,657	0.3	7,144,248	976,039	0.2	976,664	0.2	15.9	4.0	137
\$1 under \$7,000	9,146,203	9,972,725	0.5	9,163,349	1,543,889	0.4	1,544,517	0.4	15.5	4.1	169
\$1 under \$8,000	11,051,409	15,052,863	0.7	11,078,509	2,333,527	0.6	2,334,155	0.6	15.5	4.5	211
\$1 under \$9,000	12,989,575	21,790,459	1.1	13,019,249	3,347,124	0.8	3,347,838	0.8	15.4	4.9	257
\$1 under \$10,000	14,900,949	29,662,667	1.4	14,930,623	4,514,108	1.1	4,514,823	1.1	15.2	5.2	302
\$1 under \$11,000	16,923,960	38,993,603	1.9	16,953,635	5,895,638	1.4	5,896,775	1.4	15.1	5.5	348
\$1 under \$12,000	18,840,030	49,248,347	2.4	18,869,704	7,413,326	1.8	7,415,875	1.8	15.1	5.7	393
\$1 under \$13,000	20,919,904	61,990,706	3.0	20,949,579	9,242,922	2.2	9,248,246	2.2	14.9	5.9	441
\$1 under \$14,000	23,115,061	77,009,749	3.7	23,144,735	11,371,860	2.8	11,377,197	2.8	14.8	6.1	492
\$1 under \$15,000	25,304,615	93,827,762	4.6	25,334,290	13,751,529	3.3	13,759,635	3.3	14.7	6.3	543
\$1 under \$16,000	27,667,046	113,282,311	5.5	27,696,720	16,457,980	4.0	16,470,007	4.0	14.5	6.5	595
\$1 under \$17,000	29,860,780	132,696,965	6.4	29,890,454	19,201,336	4.7	19,213,411	4.7	14.5	6.6	643
\$1 under \$18,000	32,203,724	154,853,051	7.5	32,233,399	22,420,931	5.4	22,433,055	5.4	14.5	6.8	696
\$1 under \$19,000	34,335,498	176,566,023	8.6	34,365,171	25,585,509	6.2	25,598,897	6.2	14.5	6.9	745
\$1 under \$20,000	36,433,846	200,201,069	9.7	36,463,520	29,047,013	7.1	29,064,695	7.0	14.5	7.1	797
\$1 under \$25,000	45,574,004	323,710,609	15.7	45,603,677	47,313,458	11.5	47,343,039	11.5	14.6	7.7	1,038
\$1 under \$30,000	53,033,036	454,019,162	22.0	53,065,074	67,663,460	16.4	67,704,681	16.4	14.9	8.2	1,276
\$1 under \$40,000	64,928,073	728,231,262	35.3	64,960,111	111,773,969	27.1	111,843,672	27.1	15.4	9.1	1,722
\$1 under \$50,000	73,177,040	983,187,310	47.7	73,209,078	154,517,146	37.5	154,612,032	37.4	15.7	9.6	2,112
\$1 under \$75,000	82,072,496	1,366,245,207	66.3	82,104,534	228,820,399	55.6	228,952,949	55.5	16.8	10.7	2,788
\$1 under \$100,000	84,590,642	1,525,819,109	74.0	84,622,680	264,451,307	64.2	264,638,279	64.1	17.3	11.3	3,127
\$1 under \$200,000	86,365,229	1,709,003,782	82.9	86,397,267	312,099,267	75.8	312,475,672	75.7	18.3	12.1	3,616
\$1 under \$500,000	86,912,478	1,843,659,731	89.4	86,944,496	350,545,887	85.1	351,175,412	85.1	19.0	12.8	4,039
\$1 under \$1,000,000	87,027,040	1,911,211,957	92.7	87,059,059	369,586,489	89.7	370,338,393	89.7	19.4	13.1	4,253
\$1 or more	87,088,935	2,061,956,733	100.0	87,120,955	411,841,310	100.0	412,761,071	100.0	20.0	13.8	4,737
All returns	87,088,935	2,061,956,733	100.0	87,120,969	411,842,025	100.0	412,869,909	100.0	20.0	13.8	4,738

Table 1.1—Selected Income and Tax Items, by Size and Accumulated Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size and accumulated size of adjusted gross income	All returns					Taxable returns			
	Number of returns	Percent of total	Adjusted gross income less deficit			Number of returns	Percent of total	Adjusted gross income less deficit	
			Amount	Percent of total ¹	Average (dollars)			Amount	Percent of total ¹
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Cumulated from Largest Size of Adjusted Gross Income									
\$1,000,000 or more	62,065	0 1	169,631,441	5 4	2 733 126	61,972	0 1	169,333,126	5 7
\$500,000 or more	176,873	0 2	247,525,239	7 9	1 399 452	176,654	0 2	247,141,248	8 3
\$200,000 or more	725,345	0 7	409,439,896	13 1	564 476	724 523	0 8	408,877,777	13 7
\$100,000 or more	2,503,603	2 3	645,514,057	20 7	257,834	2,500,627	2 9	644,670,917	21 5
\$75,000 or more	5,024,079	4 6	859,718,884	27 5	171 120	5 019 090	5 8	858 695,246	28 7
\$50,000 or more	13 928,164	12 7	1 392,434 404	44 6	99 973	13,916,175	16 0	1,391,010,371	46 5
\$40,000 or more	22,192,678	20 2	1,761,550,079	56 4	79 375	22,165,727	25 4	1 759,448,068	58 8
\$30,000 or more	34 149,278	31 1	2,176,860,721	69 7	63,745	34 061 496	39 1	2 172 651,163	72 6
\$25,000 or more	41,667,017	38 0	2,383,062,304	76 3	57 193	41,523 247	47 7	2,377,318,598	79 4
\$20,000 or more	50,945,779	46 4	2,590,899 628	82 9	50,856	50,664 459	58 1	2,582,129 682	86 3
\$19,000 or more	53,087,498	48 4	2,632 669,077	84 3	49 591	52 762,902	60 6	2,623,059 292	87 6
\$18,000 or more	55,283,669	50 4	2,673 269,539	85 6	48,356	54,894 760	63 0	2,662,477,335	88 9
\$17,000 or more	57,740,462	52 6	2 716,282,559	86 9	47,043	57 237,725	65 7	2 703,506,941	90 3
\$16,000 or more	60,107,701	54 8	2 755,385,024	88 2	45,841	59 431,760	68 2	2 739 757,171	91 5
\$15,000 or more	62,706,009	57 2	2,795 657,999	89 5	44 584	61,794,274	70 9	2 776,378,349	92 7
\$14,000 or more	65,332,243	59 6	2,833,681,672	90 7	43,373	63,983,914	73 4	2,808,083,071	93 8
\$13,000 or more	68,134,339	62 1	2,871 482,889	91 9	42,144	66 179,071	75 9	2,837,707,723	94 8
\$12,000 or more	70,859,876	64 6	2,905,542,473	93 0	41,004	68,259,246	78 3	2,863,706,397	95 7
\$11,000 or more	73,564,116	67 1	2,936,636,316	94 0	39,919	70,175,612	80 5	2,885,767,573	96 4
\$10,000 or more	76 422,051	69 7	2,966 630,367	95 0	38,819	72 198,730	82 9	2,907,014 404	97 1
\$9,000 or more	79,414 047	72 4	2,995,040,437	95 9	37 714	74 110,104	85 1	2,925,167,884	97 7
\$8,000 or more	82 465,794	75 2	3,020,987,493	96 7	36,633	76,050,849	87 3	2,941 681,019	98 3
\$7,000 or more	85,605,341	78 0	3,044,472,944	97 4	35,564	77,966,009	89 5	2,955,996,855	98 7
\$6,000 or more	88,739,918	80 9	3,064 858,670	98 1	34,538	79,985,111	91 8	2,969 126,075	99 2
\$5,000 or more	91,822,971	83 7	3,081,870,386	98 6	33,563	81 964,612	94 1	2,980,050,472	99 6
\$4,000 or more	94 941,787	86 5	3,095,886,569	99 1	32,608	82,914,220	95 2	2 984,329,520	99 7
\$3,000 or more	98,289,578	89 6	3,107,591,750	99 5	31,617	84,255,940	96 7	2,988,999,487	99 9
\$2,000 or more	101,878,948	92 9	3,116,513,215	99 8	30,590	85,140,176	97 7	2,991,201,322	99 9
\$1,000 or more	105,746,011	96 4	3,122,296,751	99 9	29,526	86,224,525	99 0	2,992,792 632	100 0
\$1 or more	108 872,859	99 2	3,124 156,072	100 0	28,695	87,129,380	100 0	2,993,473,323	100 0
All returns	109,708,280	100.0	3,083,019,783	98.7	28,102	87,135,332	100.0	2,989,915,092	99.9

Size and accumulated size of adjusted gross income	Taxable returns—Continued									
	Taxable income			Income tax after credits			Total income tax			
	Number of returns	Amount	Percent of total	Number of returns	Amount	Percent of total	Amount	Percent of		
								Total	Taxable income	Average gross income less deficit
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Cumulated from Largest Size of Adjusted Gross Income										
\$1,000,000 or more	61,896	150,744 777	7 3	61 896	42 254,821	10 3	42 422 678	10 3	28 1	684 546
\$500,000 or more	176 457	218,297,002	10 6	176,459	61 295,422	14 9	61 585 659	14 9	28 2	348,623
\$200,000 or more	723,707	352,952,952	17 1	723,688	99,742,042	24 2	100,285,400	24 3	28 4	138 416
\$100,000 or more	2,498,293	536,137,625	26 0	2,498,275	147,390,002	35 8	148,122,793	35 9	27 6	59,234
\$75,000 or more	5,016,439	695,711,526	33 7	5,016,420	183,020,910	44 4	183 808 122	44 5	26 4	36,622
\$50,000 or more	13,911,896	1,078,769,423	52 3	13 911,877	257 324 163	62 5	258 149 039	62 5	23 9	18,550
\$40,000 or more	22,160,862	1 333 725 472	64 7	22 160,844	300 067 341	72 9	300,917 400	72 9	22 6	13 576
\$30,000 or more	34,055,899	1 607,937,571	78 0	34,055,881	344 177 850	83 6	345 056,391	83 6	21 5	10,130
\$25,000 or more	41,514 931	1,738,246,125	84 3	41 517 278	364 527 852	88 5	365 418,032	88 5	21 0	8,800
\$20,000 or more	50,655,089	1,861,755,665	90 3	50 657,435	382 794 297	92 9	383,696,376	92 9	20 6	7,573
\$19,000 or more	52,753,438	1 885,390,711	91 4	52 755,784	386 255,801	93 8	387,162,175	93 8	20 5	7 338
\$18,000 or more	54,885,211	1,907,103,683	92 5	54 887 556	389 420,379	94 6	390,328 016	94 5	20 5	7,110
\$17,000 or more	57,228,156	1,929,259,768	93 6	57 230,501	392 639,974	95 3	393 547 661	95 3	20 4	6,876
\$16,000 or more	59,421 889	1 948,674 422	94 5	59 424,235	395,383,330	96 0	396,291,065	96 0	20 3	6,668
\$15,000 or more	61,784 320	1 968,128,972	95 4	61 786,665	398 089 780	96 7	399 001 436	96 6	20 3	6,457
\$14,000 or more	63,973 874	1 984,946,985	96 3	63,976,220	400 469 450	97 2	401 383,875	97 2	20 2	6,273
\$13,000 or more	66,169,031	1,999,966,028	97 0	66,171,376	402 598 388	97 8	403 512 826	97 7	20 2	6,097
\$12,000 or more	68,248,905	2,012,708,387	97 6	68,251 251	404 427 984	98 2	405,345 197	98 2	20 1	5,938
\$11,000 or more	70,164 975	2,022,963 131	98 1	70,167,320	405 945,672	98 6	406,864 297	98 5	20 1	5,798
\$10,000 or more	72,187,986	2,032,294 066	98 6	72 190,332	407,327 201	98 9	408,246,249	98 9	20 1	5,654
\$9,000 or more	74,099,361	2,040,166,274	98 9	74,101 706	408 494 186	99 2	409 413,233	99 2	20 1	5,524
\$8,000 or more	76,037 526	2 046,903 870	99 3	76,042 446	409 507 783	99 4	410,426,916	99 4	20 1	5,397
\$7,000 or more	77,942 732	2,051,984 008	99 5	77 957 606	410,297 421	99 6	411,216 555	99 6	20 0	5,274
\$6,000 or more	79,961,833	2,055,816,076	99 7	79,976,707	410 865,271	99 8	411,784 407	99 7	20 0	5,148
\$5,000 or more	81,941 328	2,058,325,891	99 8	81,956,202	411,241,579	99 9	412,160,861	99 8	20 0	5,029
\$4,000 or more	82,888,078	2,059,782 422	99 9	82,905,810	411,480,374	99 9	412,399,656	99 9	20 0	4,974
\$3,000 or more	84,226,939	2,060,768 893	99 9	84,247 528	411 637 590	100 0	412,556 923	99 9	20 0	4,896
\$2,000 or more	85,108,317	2,061,267,640	100 0	85,131 764	411,721 367	100 0	412,640,700	99 9	20 0	4,847
\$1,000 or more	86,192,664	2,061,785,157	100 0	86,216,111	411 810 584	100 0	412,730,031	100 0	20 0	4 787
\$1 or more	87,088,935	2,061,956,733	100 0	87 120,955	411,841,310	100 0	412,761,071	100 0	20 0	4,737
All returns	87,088,935	2,061,956,733	100.0	87,120,969	411,842,025	100.0	412,869,909	100.0	20.0	4,738

¹ Percent based on positive income only² Less than 0.05 percent³ Percent not computed

NOTE: Detail may not add to total because of rounding

Table 1.2—All Returns: Adjusted Gross Income, Itemized Deductions, Exemptions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	All returns				Total itemized deductions				Standard deduction				Taxable income				Income tax after credits				Total income tax	
	Number of returns	Adjusted gross income less deficit	Exemption amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
All returns, total	109,708,280	3,083,019,783	430,771,177	31,902,985	395,216,456	76,471,827	289,564,223	90,281,729	2,069,966,980	87,120,969	411,842,025	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	
No adjusted gross income	835,420	-41,136,289	3,206,306	—	—	—	—	—	—	—	—	—	—	—	—	14	715	—	—	5,952	108,837	
\$1 under \$1,000	3,126,949	1,859,321	3,280,048	11,128	123,069	3,089,413	5,008,468	908,395	171,676	904,844	30,726	904,855	904,855	904,844	30,726	904,844	30,726	904,855	904,855	108,837		
\$1,000 under \$2,000	3,867,063	5,783,536	4,971,634	26,891	203,900	3,822,368	8,501,829	1,100,026	521,009	1,084,347	89,217	1,084,349	89,217	1,084,347	89,217	1,084,347	89,217	1,084,349	89,217	108,837		
\$2,000 under \$3,000	3,589,370	8,921,465	5,538,541	39,229	346,691	3,517,316	10,119,750	902,773	523,268	884,236	83,777	884,236	83,777	884,236	83,777	884,236	83,777	884,236	83,777	108,837		
\$3,000 under \$4,000	3,347,791	11,705,181	6,060,034	72,284	399,099	3,251,255	10,576,187	1,350,291	1,003,911	1,341,718	157,216	1,341,720	157,216	1,341,718	157,216	1,341,718	157,216	1,341,720	157,216	108,837		
\$4,000 under \$5,000	3,118,616	14,016,183	6,958,555	48,711	483,627	3,042,995	10,362,337	958,181	1,465,756	1,949,608	238,795	1,949,608	238,795	1,949,608	238,795	1,949,608	238,795	1,949,608	238,795	108,837		
\$5,000 under \$6,000	3,083,053	17,011,716	7,302,502	103,255	845,242	2,982,068	10,348,157	2,014,188	2,538,311	1,979,495	376,308	1,979,495	376,308	1,979,495	376,308	1,979,495	376,308	1,979,495	376,308	108,837		
\$6,000 under \$7,000	3,134,576	20,385,726	8,872,889	109,549	837,363	3,003,631	10,945,720	2,017,362	2,581,192	2,019,101	567,850	2,019,102	567,850	2,019,101	567,850	2,019,101	567,850	2,019,102	567,850	108,837		
\$7,000 under \$8,000	3,139,547	23,485,451	9,609,022	177,404	1,408,511	2,944,998	11,920,216	2,145,160	3,278,956	1,915,160	789,638	1,915,160	789,638	1,915,160	789,638	1,915,160	789,638	1,915,160	789,638	108,837		
\$8,000 under \$9,000	3,051,747	25,947,056	9,357,247	144,502	1,154,109	2,878,011	10,891,617	2,125,884	2,789,638	1,940,741	1,013,597	1,940,746	1,013,597	1,940,741	1,013,597	1,940,741	1,013,597	1,940,746	1,013,597	108,837		
\$9,000 under \$10,000	2,991,996	28,410,071	9,741,119	162,832	1,391,588	2,771,805	10,771,748	2,226,295	2,838,854	1,911,374	1,166,984	1,911,374	1,166,984	1,911,374	1,166,984	1,911,374	1,166,984	1,911,374	1,166,984	108,837		
\$10,000 under \$11,000	2,857,935	29,994,051	9,351,545	165,966	1,627,940	2,674,427	10,406,143	2,395,628	3,023,118	2,023,012	1,381,952	2,023,012	1,381,952	2,023,012	1,381,952	2,023,012	1,381,952	2,023,012	1,381,952	108,837		
\$11,000 under \$12,000	2,704,240	31,093,843	9,334,775	194,896	1,528,264	2,492,199	9,896,608	2,412,908	3,191,668	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	108,837		
\$12,000 under \$13,000	2,725,537	34,059,583	9,353,853	232,946	1,733,308	2,479,036	10,094,111	2,515,948	3,278,956	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	2,079,875	1,916,688	108,837		
\$13,000 under \$14,000	2,802,095	37,801,217	10,187,529	250,908	1,832,900	2,539,831	10,934,111	2,621,728	3,461,504	2,195,156	2,128,938	2,195,156	2,128,938	2,195,156	2,128,938	2,195,156	2,128,938	2,195,156	2,128,938	108,837		
\$14,000 under \$15,000	2,626,234	38,023,673	9,420,168	338,746	2,626,269	2,274,070	9,809,850	2,779,865	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$15,000 under \$16,000	2,598,308	40,272,975	9,419,208	310,493	2,376,045	2,259,972	9,803,838	2,524,212	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$16,000 under \$17,000	2,367,239	39,102,465	9,205,919	330,678	2,396,704	2,202,473	8,187,668	2,272,637	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$17,000 under \$18,000	2,456,793	43,019,742	9,704,792	359,017	2,668,219	2,087,811	8,498,678	2,411,339	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$18,000 under \$19,000	2,196,171	40,600,463	8,777,332	316,003	2,480,903	1,868,080	7,725,114	2,153,194	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$19,000 under \$20,000	2,141,719	41,769,448	8,319,421	365,607	2,619,775	1,763,290	7,173,337	2,118,102	3,779,865	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	2,189,554	2,379,670	108,837		
\$20,000 under \$25,000	9,278,762	207,837,324	38,838,356	2,119,585	16,033,227	7,120,492	29,760,529	9,911,617	123,752,465	9,141,213	18,266,445	9,141,213	18,266,445	9,141,213	18,266,445	9,141,213	18,266,445	9,141,213	18,266,445	18,266,445		
\$25,000 under \$30,000	7,517,739	206,201,583	34,865,439	2,459,551	19,210,943	5,029,416	21,853,171	7,485,327	130,581,872	7,461,397	20,350,002	7,461,397	20,350,002	7,461,397	20,350,002	7,461,397	20,350,002	7,461,397	20,350,002	20,350,002		
\$30,000 under \$40,000	11,956,599	415,310,642	61,589,310	6,001,876	52,603,466	9,290,320	27,177,827	11,920,216	274,610,509	11,895,769	44,110,509	11,895,769	44,110,509	11,895,769	44,110,509	11,895,769	44,110,509	11,895,769	44,110,509	44,110,509		
\$40,000 under \$50,000	8,264,514	369,115,676	46,384,965	5,524,611	54,529,617	9,231,748	13,276,824	8,253,967	255,121,323	8,248,966	42,743,177	8,248,966	42,743,177	8,248,966	42,743,177	8,248,966	42,743,177	8,248,966	42,743,177	42,743,177		
\$50,000 under \$75,000	8,904,085	532,715,520	52,068,549	7,367,772	90,065,954	1,532,590	7,627,662	8,897,248	383,088,855	8,895,457	74,303,253	8,895,457	74,303,253	8,895,457	74,303,253	8,895,457	74,303,253	8,895,457	74,303,253	74,303,253		
\$75,000 under \$100,000	2,520,476	214,204,828	14,548,888	2,280,238	38,957,294	240,238	1,213,196	1,213,196	158,574,120	1,213,196	35,685,329	1,213,196	35,685,329	1,213,196	35,685,329	1,213,196	35,685,329	1,213,196	35,685,329	35,685,329		
\$100,000 under \$200,000	1,778,258	236,074,161	10,325,482	1,682,932	42,219,155	95,030	474,793	1,775,165	188,252,229	1,775,165	47,647,960	1,775,165	47,647,960	1,775,165	47,647,960	1,775,165	47,647,960	1,775,165	47,647,960	47,647,960		
\$200,000 under \$500,000	548,472	161,914,657	3,184,713	514,333	24,111,676	16,775	83,203	83,203	134,674,810	83,203	38,699,741	83,203	38,699,741	83,203	38,699,741	83,203	38,699,741	83,203	38,699,741	38,699,741		
\$500,000 under \$1,000,000	114,808	77,893,798	655,995	112,433	9,765,330	2,348	114,575	114,575	67,559,945	114,575	19,629,681	114,575	19,629,681	114,575	19,629,681	114,575	19,629,681	114,575	19,629,681	19,629,681		
\$1,000,000 or more	62,065	169,631,441	61,231	18,636,268	821	3,687	61,910	61,910	150,793,390	61,910	42,254,821	61,910	42,254,821	61,910	42,254,821	61,910	42,254,821	61,910	42,254,821	42,254,821		
Taxable returns, total	87,135,332	2,989,915,092	344,414,520	30,370,549	373,923,491	56,414,729	214,378,920	87,088,935	2,061,956,733	87,120,969	411,842,025	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	87,135,332	412,869,909	
No adjusted gross income	5,952	-3,558,231	25,025	—	—	—	—	—	—	—	—	—	—	—	—	14	715	—	—	5,952	108,837	
\$1 under \$1,000	904,855	680,691	16,780	—	—	—	—	—	—	904,844	30,726	904,855	904,855	904,844								

Table 1.2—All Returns: Adjusted Gross Income, Itemized Deductions, Exemptions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status

—Continued

(All figures are estimates based on samples; money amounts are in thousands of dollars.)

Size of adjusted gross income	Total itemized deductions				Standard deduction				Taxable income				Income tax after credits				Total income tax	
	Number of returns	Adjusted gross income less deficit	Exemption amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	
All returns, total	48,149,734	2,122,981,482	293,346,051	22,503,716	307,243,606	25,026,620	130,331,665	42,409,303	1,450,053,560	41,365,728	296,409,461	41,374,252	297,225,750					
No adjusted gross income	436,735	-30,279,223	292,253	2,503	3,536	47,282	788,400	-	-	-	-	2,982	79,830					
\$1 under \$1,000	161,405	84,277	917,263	3,536	47,282	152,956	788,400	-	-	-	-	2,982	79,830					
\$1,000 under \$2,000	191,624	291,436	1,071,340	9,085	78,605	177,557	927,114	-	-	-	-	11	314					
\$2,000 under \$3,000	243,593	603,141	1,370,409	20,043	233,138	214,977	1,121,544	-	-	-	-	2,860	1,938					
\$3,000 under \$4,000	298,007	1,053,010	1,668,862	24,598	185,161	265,569	1,398,442	-	-	-	-	1,938	1,938					
\$4,000 under \$5,000	364,910	1,653,642	2,019,120	31,095	105,708	350,957	1,851,168	-	-	-	-	1,144	1,144					
\$5,000 under \$6,000	373,140	2,046,571	2,051,250	23,143	234,407	345,748	1,830,411	-	-	-	-	1,144	1,144					
\$6,000 under \$7,000	541,270	3,524,997	3,186,569	25,984	253,637	510,302	2,674,608	-	-	-	-	1,144	1,144					
\$7,000 under \$8,000	641,788	4,825,149	3,609,270	36,934	413,529	601,906	3,194,979	-	-	-	-	1,144	1,144					
\$8,000 under \$9,000	666,507	5,657,701	3,567,215	24,267	192,861	625,095	3,366,778	-	-	-	-	1,144	1,144					
\$9,000 under \$10,000	700,796	6,656,116	3,835,993	54,022	518,933	626,113	3,379,041	-	-	-	-	1,144	1,144					
\$10,000 under \$11,000	742,882	7,793,209	4,048,509	51,856	478,813	684,201	3,663,695	-	-	-	-	1,144	1,144					
\$11,000 under \$12,000	753,152	8,653,637	4,077,373	53,064	502,290	697,230	3,762,079	-	-	-	-	1,144	1,144					
\$12,000 under \$13,000	764,554	9,564,264	4,081,661	92,980	555,402	669,449	3,567,853	-	-	-	-	1,144	1,144					
\$13,000 under \$14,000	864,537	11,657,127	4,875,948	111,920	914,708	747,634	3,997,167	-	-	-	-	1,144	1,144					
\$14,000 under \$15,000	811,837	11,758,991	4,628,507	135,841	1,280,826	669,684	3,528,400	-	-	-	-	1,144	1,144					
\$15,000 under \$16,000	777,551	12,058,400	4,294,140	122,478	969,546	652,215	3,461,296	-	-	-	-	1,144	1,144					
\$16,000 under \$17,000	860,786	14,217,808	5,115,782	131,291	1,241,517	724,513	3,797,037	-	-	-	-	1,144	1,144					
\$17,000 under \$18,000	932,110	15,946,821	5,397,075	152,320	1,394,739	755,370	3,972,933	-	-	-	-	1,144	1,144					
\$18,000 under \$19,000	902,165	16,665,025	5,274,003	145,320	1,334,412	752,596	3,945,098	-	-	-	-	1,144	1,144					
\$19,000 under \$20,000	823,149	16,045,648	4,803,542	140,221	1,250,983	675,822	3,546,862	-	-	-	-	1,144	1,144					
\$20,000 under \$25,000	4,202,488	94,475,212	25,164,822	974,007	8,581,875	3,206,942	16,591,222	-	-	-	-	1,144	1,144					
\$25,000 under \$30,000	4,082,857	112,345,119	25,558,441	1,229,077	10,385,181	4,839,593	21,493,540	-	-	-	-	1,144	1,144					
\$30,000 under \$40,000	8,023,023	280,540,049	51,228,409	3,872,164	35,405,178	14,388,659	17,971,141	-	-	-	-	1,144	1,144					
\$40,000 under \$50,000	6,727,089	301,261,334	42,249,393	4,428,196	44,224,112	2,259,501	11,797,141	-	-	-	-	1,144	1,144					
\$50,000 under \$75,000	7,866,536	471,776,591	49,326,073	6,506,095	79,787,341	1,356,717	7,104,187	-	-	-	-	1,144	1,144					
\$75,000 under \$100,000	2,246,026	190,934,492	13,862,767	2,044,067	35,061,239	2,019,959	3,084,383	-	-	-	-	1,144	1,144					
\$100,000 under \$200,000	1,552,232	205,805,367	9,736,407	1,478,464	37,298,541	73,758	397,392	-	-	-	-	1,144	1,144					
\$200,000 under \$500,000	466,562	137,696,081	2,972,120	453,608	20,497,933	12,949	9,235	-	-	-	-	1,144	1,144					
\$500,000 under \$1,000,000	98,242	66,608,184	313,947	96,564	8,287,769	1,676	7,183	-	-	-	-	1,144	1,144					
\$1,000,000 or more	52,193	141,050,897	312,588	51,684	15,227,941	523	2,784	-	-	-	-	1,144	1,144					
Taxable returns, total	41,374,252	2,090,547,723	249,932,806	21,666,969	295,136,358	19,532,128	101,950,580	41,350,349	1,447,241,222	41,365,728	296,409,461	41,374,252	297,225,750					
No adjusted gross income	2,387	-2,914,763	18,992	-	-	-	-	-	-	-	-	2,982	79,830					
\$1 under \$1,000	11	6	63	13	33,209	-	-	-	-	-	-	11	314					
\$1,000 under \$2,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$2,000 under \$3,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$3,000 under \$4,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$4,000 under \$5,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$5,000 under \$6,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$6,000 under \$7,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$7,000 under \$8,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$8,000 under \$9,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$9,000 under \$10,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$10,000 under \$11,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$11,000 under \$12,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$12,000 under \$13,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$13,000 under \$14,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$14,000 under \$15,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$15,000 under \$16,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$16,000 under \$17,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$17,000 under \$18,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$18,000 under \$19,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$19,000 under \$20,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$20,000 under \$25,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$25,000 under \$30,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$30,000 under \$40,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$40,000 under \$50,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$50,000 under \$75,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$75,000 under \$100,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$100,000 under \$200,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$200,000 under \$500,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$500,000 under \$1,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$1,000,000 or more	-	-	-	-	-	-	-	-	-	-	-	-	-					
Non-taxable returns, total	6,775,482	32,433,758	43,413,245	836,747	12,107,248	5,434,493	28,381,085	1,058,955	2,812,337	-	-	-	-					
No adjusted gross income	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$1 under \$1,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$1,000 under \$2,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$2,000 under \$3,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$3,000 under \$4,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$4,000 under \$5,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$5,000 under \$6,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$6,000 under \$7,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$7,000 under \$8,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$8,000 under \$9,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$9,000 under \$10,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$10,000 under \$11,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$11,000 under \$12,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$12,000 under \$13,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$13,000 under \$14,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$14,000 under \$15,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$15,000 under \$16,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$16,000 under \$17,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$17,000 under \$18,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$18,000 under \$19,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$19,000 under \$20,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$20,000 under \$25,000	-	-	-	-	-	-	-	-	-	-	-	-	-					
\$25,000,																		

Table 1.2—All Returns: Adjusted Gross Income, Itemized Deductions, Exemptions, and Tax Items, by Size of Adjusted Gross Income and by Marital Status—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Returns of married people filing separately, heads of households, and surviving spouses										Total income tax	
	Number of returns	Adjusted gross income less deficit	Exemption amount	Total itemized deductions		Standard deduction		Taxable income		Income tax after credits		Amount
	(27)	(28)	(29)	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	(39)
All returns, total	13,147,780	240,381,576	59,603,609	2,486,653	23,099,068	10,485,203	43,939,334	9,402,623	131,760,791	7,433,240	22,049,389	22,099,224
No adjusted gross income	13,147,780	240,381,576	59,603,609	2,486,653	23,099,068	10,485,203	43,939,334	9,402,623	131,760,791	7,433,240	22,049,389	22,099,224
\$1 under \$1,000	184,939	105,308	165,602	—	—	—	731,103	—	—	—	—	181
\$1,000 under \$2,000	349,869	331,089	1,535,316	—	—	176,366	731,103	—	—	—	—	—
\$2,000 under \$3,000	366,208	914,932	1,626,467	—	—	342,762	1,418,458	—	—	—	—	—
\$3,000 under \$4,000	379,911	1,333,617	1,734,519	—	—	360,492	1,473,323	—	—	—	—	—
\$4,000 under \$5,000	397,770	1,602,873	1,879,310	—	—	367,089	1,522,392	—	—	—	—	—
\$5,000 under \$6,000	491,718	2,736,838	2,180,322	—	—	380,720	1,567,324	—	—	—	—	—
\$6,000 under \$7,000	505,147	3,295,273	2,276,268	—	—	485,344	2,009,499	—	—	—	—	—
\$7,000 under \$8,000	558,023	4,163,026	2,637,033	—	—	494,424	2,092,909	—	—	—	—	—
\$8,000 under \$9,000	478,687	4,082,268	2,343,540	—	—	541,611	2,266,621	—	—	—	—	—
\$9,000 under \$10,000	549,905	5,215,937	2,657,539	—	—	534,222	2,367,546	—	—	—	—	—
\$10,000 under \$11,000	514,133	5,397,138	2,287,417	—	—	527,423	2,110,128	—	—	—	—	—
\$11,000 under \$12,000	514,892	5,913,916	2,422,451	—	—	497,979	2,009,499	—	—	—	—	—
\$12,000 under \$13,000	543,096	6,784,913	2,466,526	—	—	492,016	2,077,106	—	—	—	—	—
\$13,000 under \$14,000	569,018	7,685,212	2,605,397	—	—	532,672	2,208,887	—	—	—	—	—
\$14,000 under \$15,000	459,306	6,662,516	2,116,831	—	—	399,950	1,679,836	—	—	—	—	—
\$15,000 under \$16,000	519,102	8,047,685	2,588,066	—	—	447,737	1,881,897	—	—	—	—	—
\$16,000 under \$17,000	403,463	6,666,880	1,902,232	—	—	374,511	1,434,106	—	—	—	—	—
\$17,000 under \$18,000	426,366	7,477,931	2,041,689	—	—	367,847	1,551,790	—	—	—	—	—
\$18,000 under \$19,000	389,563	7,210,230	1,686,555	—	—	273,598	1,374,113	—	—	—	—	—
\$19,000 under \$20,000	380,474	7,033,516	1,539,796	—	—	278,915	1,155,003	—	—	—	—	—
\$20,000 under \$25,000	1,363,724	30,499,914	6,166,538	340,425	2,213,520	1,017,584	4,331,429	1,359,666	17,795,870	1,359,666	17,795,870	2,451,519
\$25,000 under \$30,000	926,058	25,389,696	4,200,845	353,116	2,678,211	566,632	2,360,076	923,691	16,227,126	918,962	2,419,250	2,419,428
\$30,000 under \$40,000	1,062,848	36,306,313	4,459,816	600,607	5,031,049	456,131	1,934,591	1,060,476	24,923,613	1,058,112	3,981,861	3,983,687
\$40,000 under \$50,000	415,608	18,256,643	1,821,779	317,219	3,356,768	95,627	405,807	415,608	12,673,009	415,608	2,330,125	2,331,495
\$50,000 under \$75,000	236,014	13,626,948	1,039,609	197,367	2,324,850	38,647	167,952	235,444	10,108,474	**342,469	**4,557,866	**4,572,963
\$75,000 under \$100,000	57,301	4,867,155	235,076	51,914	938,311	5,387	**24,600	3,669,527	—	—	—	—
\$100,000 under \$200,000	49,843	6,642,273	251,441	49,416	1,016,435	4,927	19,779	5,403,312	—	—	—	—
\$200,000 under \$500,000	17,543	5,176,574	73,916	17,171	714,869	371	1,283	4,389,580	—	—	—	—
\$500,000 under \$1,000,000	3,197	2,165,428	13,442	3,149	332,598	206	217	1,837,634	—	—	—	—
\$1,000,000 or more	2,307	7,039,250	8,958	2,232	851,254	75	217	6,169,089	—	—	—	—
Taxable returns, total	7,433,600	199,437,535	31,154,933	2,289,298	20,991,532	5,056,378	20,625,565	7,433,238	126,904,219	7,433,240	22,049,389	22,099,224
No adjusted gross income	181	—	725	—	—	—	—	—	—	—	—	4,402
\$1 under \$1,000	—	—	—	—	—	—	—	—	—	—	—	—
\$1,000 under \$2,000	—	—	—	—	—	—	—	—	—	—	—	—
\$2,000 under \$3,000	—	—	—	—	—	—	—	—	—	—	—	—
\$3,000 under \$4,000	—	—	—	—	—	—	—	—	—	—	—	—
\$4,000 under \$5,000	—	—	—	—	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	—	—	—	—	—	—	—	—	—	—	—	—
\$6,000 under \$7,000	—	—	—	—	—	—	—	—	—	—	—	—
\$7,000 under \$8,000	—	—	—	—	—	—	—	—	—	—	—	—
\$8,000 under \$9,000	—	—	—	—	—	—	—	—	—	—	—	—
\$9,000 under \$10,000	—	—	—	—	—	—	—	—	—	—	—	—
\$10,000 under \$11,000	—	—	—	—	—	—	—	—	—	—	—	—
\$11,000 under \$12,000	—	—	—	—	—	—	—	—	—	—	—	—
\$12,000 under \$13,000	—	—	—	—	—	—	—	—	—	—	—	—
\$13,000 under \$14,000	—	—	—	—	—	—	—	—	—	—	—	—
\$14,000 under \$15,000	—	—	—	—	—	—	—	—	—	—	—	—
\$15,000 under \$16,000	—	—	—	—	—	—	—	—	—	—	—	—
\$16,000 under \$17,000	—	—	—	—	—	—	—	—	—	—	—	—
\$17,000 under \$18,000	—	—	—	—	—	—	—	—	—	—	—	—
\$18,000 under \$19,000	—	—	—	—	—	—	—	—	—	—	—	—
\$19,000 under \$20,000	—	—	—	—	—	—	—	—	—	—	—	—
\$20,000 under \$25,000	—	—	—	—	—	—	—	—	—	—	—	—
\$25,000 under \$30,000	—	—	—	—	—	—	—	—	—	—	—	—
\$30,000 under \$40,000	—	—	—	—	—	—	—	—	—	—	—	—
\$40,000 under \$50,000	—	—	—	—	—	—	—	—	—	—	—	—
\$50,000 under \$75,000	—	—	—	—	—	—	—	—	—	—	—	—
\$75,000 under \$100,000	—	—	—	—	—	—	—	—	—	—	—	—
\$100,000 under \$200,000	—	—	—	—	—	—	—	—	—	—	—	—
\$200,000 under \$500,000	—	—	—	—	—	—	—	—	—	—	—	—
\$500,000 under \$1,000,000	—	—	—	—	—	—	—	—	—	—	—	—
\$1,000,000 or more	—	—	—	—	—	—	—	—	—	—	—	—
Nontaxable returns, total	5,714,180	40,944,041	28,446,676	197,355	2,107,536	5,428,825	23,313,769	1,969,385	4,856,572	—	—	—

Footnotes at end of table

All figures are estimates based on samples – money amounts are in thousands of dollars)

* Estimate should be used with caution because of the small number of sample returns on which it is based

* Estimate should be used with caution because of the small sample size.
 ** Data combined to avoid disclosure of information for small groups.
 () Less than \$500
 NOTE: Detail may not add to total because of rounding.

Table 1.3—All Returns: Sources of Income and Adjustments, Deductions and Tax Items, by Marital Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	All returns			Joint returns of husbands and wives			Separate returns of husbands and wives			Returns of heads of households			Returns of surviving spouses			Returns of single persons		
	Number of returns	Amount	(1)	Number of returns	Amount	(2)	Number of returns	Amount	(3)	Number of returns	Amount	(4)	Number of returns	Amount	(5)	Number of returns	Amount	(6)
Adjusted gross income less deficit	109,708,280	3,083,019,783	48,149,734	2,122,981,482	1,750,047	38,680,727	11,303,325	199,482,947	94,408	2,217,902	48,410,766	719,656,726						
Salaries and wages	93,257,370	2,337,984,129	41,117,530	1,592,048,787	1,542,869	29,900,422	10,751,640	175,891,463	77,918	1,400,475	39,767,414	538,742,982						
Taxable interest received	69,421,338	186,981,636	37,166,719	116,906,123	836,854	1,898,533	4,060,917	5,021,340	71,622	331,504	27,285,225	62,824,136						
Tax exempt interest	3,514,401	77,329,507	2,222,395	21,611,988	33,339	655,883	113,503	556,762	6,080	1,133,283	9,971,276	24,442,677						
Dividends	22,903,155	77,329,507	13,889,165	49,564,276	233,779	1,291,342	1,026,111	1,934,479	19,416	96,732	7,734,684	24,442,677						
State income tax refunds	19,581,464	11,234,875	14,003,133	8,410,182	281,134	135,554	1,491,622	624,506	27,330	27,203	3,778,244	2,037,430						
Alimony received	465,437	3,035,504	59,251	215,232	†	†	180,551	1,403,993	†	†	215,185	1,382,383						
Business or profession:																		
Net income	10,491,980	145,517,755	7,543,914	114,704,350	140,073	2,263,945	507,176	5,169,704	16,270	156,273	2,284,546	23,223,483						
Net loss	3,079,460	19,194,505	2,267,242	14,712,219	39,011	312,923	146,820	758,347	2,056	46,049	624,331	3,364,966						
Sales of capital assets																		
Net gain in AGI	9,661,197	161,871,807	6,169,079	120,975,595	106,722	3,229,750	373,845	4,562,780	9,017	59,607	3,002,533	33,044,075						
Net loss in AGI	4,624,992	8,103,597	2,922,631	5,263,473	47,609	57,691	176,962	300,574	1,897	3,896	1,475,892	2,477,964						
Sales of property other than capital assets	1,755,950	1,860,313	1,298,415	1,869,394	9,678	54,739	55,759	59,781	828	11,223	391,271	22,900						
Taxable IRA distributions	2,645,142	11,118,008	1,900,635	8,512,564	28,924	107,087	105,470	433,128	2,370	4,752	604,744	2,060,478						
Pensions and annuities in AGI	16,481,248	138,785,886	10,601,991	100,055,333	179,993	1,327,038	737,778	4,280,406	26,315	221,751	4,935,171	32,901,358						
Rent and royalty																		
Net income	5,080,520	28,772,669	3,599,066	22,181,325	50,028	251,018	182,887	764,005	5,687	1,242,852	5,571,463	5,571,463						
Net loss	5,647,505	32,626,182	4,091,064	24,932,281	50,833	281,211	265,222	1,115,897	6,164	11,834	1,234,222	6,284,959						
Farm rental income less loss	637,034	2,574,704	366,715	1,561,726	5,253	23,058	13,964	11,768	2,365	343	248,737	977,808						
Partnership and S Corporation net income less loss	5,899,223	57,080,226	4,298,298	48,427,560	54,663	548,790	159,173	1,416,965	8,043	14,236	1,379,047	6,672,675						
Estate and trust net income less loss	596,553	4,094,259	303,377	1,712,867	9,663	184,943	22,238	191,183	2,370	7,011	258,905	1,998,255						
Farm net income less loss	2,367,262	11,756,537	1,420,398	5,994,538	11,328	100,748	42,013	12,216	3,792	50,041	369,997	418,995						
Unemployment compensation in AGI	6,974,528	11,626,600	4,127,612	7,179,092	118,713	171,936	948,702	1,358,209	2,365	5,539	1,776,870	2,916,824						
Social Security benefits in AGI	4,024,093	14,361,470	2,600,041	10,277,156	63,213	181,575	72,129	165,137	10,706	23,453	1,278,005	3,714,149						
Other income less loss	6,550,768	4,416,026	4,416,026	10,897,994	88,465	1,359,766	352,191	134,569	13,403	24,191	1,680,684	2,722,877						
Total statutory adjustments	10,747,370	28,201,888	7,116,344	20,314,348	113,385	404,567	616,811	1,422,489	21,943	32,004	2,878,887	6,028,480						
Employee business expenses	1,394,080	4,246,522	1,008,276	3,213,841	31,653	548,973	79,256	178,599	3,945	2,317	271,250	769,507						
Primary IRA payments	5,825,108	8,580,947	3,548,974	5,260,814	48,447	77,230	377,561	494,819	9,987	19,973	1,840,139	2,728,111						
Secondary IRA payments	2,615,832	3,300,807	2,615,832	3,300,807	—	—	—	—	—	—	—	—						
Payments to a Keogh plan	814,586	6,626,908	627,484	5,455,256	5,420	51,917	35,236	221,667	2,132	6,493	144,315	891,575						
Alimony paid	587,022	4,183,246	288,701	2,078,963	22,858	186,241	50,000	480,347	22,456	261,875	225,462	1,437,696						
Total itemized deductions	31,902,985	395,216,456	22,503,716	307,243,606	582,615	5,304,980	1,881,582	17,532,610	22,456	261,875	6,912,610	64,873,782						
Medical and dental expense deduction	4,810,032	17,993,829	3,088,554	8,819,673	103,552	259,109	321,088	706,564	7,138	9,814	1,289,700	8,198,669						
Taxes paid deduction	23,631,009	120,628,182	22,314,493	95,196,347	563,455	1,611,886	1,850,613	4,941,438	22,456	72,404	6,576,765	18,806,106						
Interest paid deduction	29,637,001	79,737,720	21,611,240	144,886,239	517,682	2,286,576	1,820,771	9,019,248	21,791	127,580	5,659,525	23,418,076						
Contributions deduction	29,110,570	50,949,273	21,024,170	40,056,349	476,940	722,192	1,686,411	1,765,189	20,091	30,408	5,902,959	8,375,136						
Casualty or theft loss	133,499	1,235,777	70,158	1,025,116	—	—	21,989	52,316	—	—	41,352	158,344						
Moving expense deduction	912,394	3,633,937	663,839	2,837,704	9,992	56,046	29,550	99,144	1,198	3,143	207,815	637,901						
Total miscellaneous deductions	8,056,903	21,037,739	5,297,358	14,422,178	148,945	369,171	537,531	948,314	3,924	18,527	2,069,146	5,279,549						
Basic standard deduction	76,471,827	280,341,390	25,026,620	124,767,949	1,112,747	2,751,983	9,303,399	40,620,774	69,057	340,017	40,960,004	111,860,666						
Additional standard deduction	10,292,748	9,222,833	5,504,340	5,563,716	74,120	44,475	234,205	182,084	—	—	4,480,081	3,432,558						
Taxable income	90,281,729	2,069,966,980	42,409,303	1,450,053,560	1,450,838	28,156,549	7,883,793	102,287,713	67,992	1,316,530	38,469,803	488,152,630						
Total tax credits	14,099,023	7,047,140	8,798,581	4,592,061	84,340	123,856	4,657,529	1,988,657	18,869	6,544	539,704	336,023						
Child care credit	9,023,458	3,812,849	6,426,509	2,601,357	62,099	2,109	2,462,362	1,149,611	5,255	1,670	67,234	30,351						
Credit for the elderly and disabled	356,973	68,904	96,144	20,195	2,858	†	20,003	4,426	—	—	237,968	43,374						
Foreign tax credit	559,217	1,087,203	372,802	808,032	13,568	79,821	9,757	35,783	24	188	163,066	163,378						
Earned income credit used to offset income tax before credits	4,782,148	1,102,392	1,849,647	323,287	—	—	2,918,946	774,479	13,555	4,625	4,088	20,530						
Minimum tax credit	26,393	203,264	21,007	168,579	235	3,849	1,063	10,306	15	58	51,806	64,784						
General business credit	364,169	718,209	301,828	635,620	4,970	9,022	5,551	8,725	60,152	230,544	38,322,002	93,383,174						
Income tax after credits	87,120,969	411,842,025	41,365,728	296,409,461	1,433,032	5,990,318	5,940,056	15,828,527	6,153	230,717	38,327,044	96,675,935						
Alternative minimum tax	113,562	1,027,884	83,228	816,288	5,237	30,532	3,425	19,131	6	172	21,665	161,760						
Total income tax	87,135,332	412,869,909	41,374,252	297,225,750	1,433,160	6,020,849	5,940,286	15,847,658	60,153	230,717	38,327,044	96,675,935						
Total tax payments	89,001,467	440,733,154	42,543,327	311,153,737	1,470,220	6,261,339	6,051,474	16,397,410	64,403	245,169	38,872,044	96,675,935						
Total tax liability	100,691,733	434,343,680	45,358,060	310,878,509	1,576,760	5,826,329	10,650,431	24,235,499	78,677	254,551	43,027,606	103,146,732						
Income tax withheld	93,542,541	324,220,135	41,732,719	234,932,445	1,503,192	4,162,235	10,436,493	21,919,702	78,603	204,548	39,710,506	81,001,206						
Estimated tax payments	12,443,029	80,328,108	7,872,911	58,553,842	125,538	1,169,705	382,248	1,823,620	10,179	45,533	4,552,153	18,735,607						
Overpayment refunded	76,414,800	68,990,260	30,937,295	39,059,751	1,021,325	615,104	10,334,254	12,044,246	55,563	64,283	34,066,362	17,206,876						
Tax due at time of filing	27,185,438	61,507,880	14,451,060	45,519,351	620,453	1,235,941	778,890	1,698,059	27,886	50,940	11,307,149	13,003,588						

* Estimate should be used with caution because of the small number of sample returns on which it is based.

† Data derived from a sample of information for specific taxpayers. Detailed data are included in the appropriate totals.

NOTE: Detail may not add to total because of rounding.

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income			Salaries and wages		Taxable interest received		Tax-exempt interest		Dividends		State income tax refunds	
Number of returns	Adjusted gross income less deficit		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
109,708,280	3,083,019,783	93,257,370	2,337,984,129	69,421,338	186,981,636	3,514,401	32,811,274	22,903,155	77,329,507	19,581,464	11,234,875	
No adjusted gross income	835,420	324,197	6,275,417	525,441	4,156,364	33,298	743,666	193,270	740,304	77,182	135,374	
\$1 under \$1,000	3,126,849	2,066,308	1,079,506	1,347,753	544,179	30,708	11,018	323,842	101,939	15,631	7,323	
\$1,000 under \$2,000	3,867,063	5,783,536	4,713,614	1,521,780	896,547	20,003	13,479	349,117	202,359	34,248	3,549	
\$2,000 under \$3,000	3,589,370	6,921,465	7,446,525	1,447,585	930,524	7,000	4,308	268,130	161,334	44,200	18,376	
\$3,000 under \$4,000	3,347,791	11,703,181	2,846,648	9,580,334	1,438,066	11,703	87,781	295,474	337,020	34,101	13,694	
\$4,000 under \$5,000	3,118,816	14,016,183	2,572,575	10,942,044	1,276,583	11,361	29,431	269,905	226,899	39,233	16,396	
\$5,000 under \$6,000	3,083,053	17,011,716	2,426,624	12,506,929	1,346,563	21,395	56,761	289,175	407,957	52,599	21,560	
\$6,000 under \$7,000	3,134,576	20,385,726	2,205,893	15,473,636	1,452,166	12,431	22,098	329,599	372,147	52,993	9,387	
\$7,000 under \$8,000	3,139,547	23,485,451	2,249,766	17,050,570	1,374,413	26,367	61,342	355,718	466,647	103,078	28,567	
\$8,000 under \$9,000	3,051,747	25,947,056	2,340,636	18,356,335	1,466,790	35,250	73,847	369,308	527,827	71,591	21,909	
\$9,000 under \$10,000	2,991,996	28,410,071	2,328,695	20,634,793	1,467,311	28,086	181,339	355,013	697,664	81,125	67,293	
\$10,000 under \$11,000	2,867,935	29,994,051	2,278,990	22,162,882	1,392,108	40,044	177,228	365,556	629,459	76,459	55,793	
\$11,000 under \$12,000	2,704,240	31,993,843	2,090,826	22,129,857	1,372,614	64,259	181,940	319,599	610,531	114,850	24,946	
\$12,000 under \$13,000	2,725,537	34,059,583	2,220,727	25,485,287	1,381,699	32,292	119,978	329,526	685,600	126,473	46,079	
\$13,000 under \$14,000	2,802,095	37,801,217	2,277,696	28,235,557	1,470,980	42,790	411,781	392,722	690,026	147,643	36,254	
\$14,000 under \$15,000	2,626,234	38,023,673	2,166,141	29,410,467	1,449,210	34,778	148,957	336,586	610,831	204,926	48,036	
\$15,000 under \$16,000	2,596,308	40,272,975	2,154,540	31,369,662	1,388,895	62,835	300,258	388,457	832,939	196,342	48,721	
\$16,000 under \$17,000	2,367,239	39,102,465	2,021,884	30,894,882	1,326,858	23,761	47,618	370,675	668,330	202,410	48,004	
\$17,000 under \$18,000	2,456,793	43,013,019	2,102,687	34,092,539	1,370,500	48,472	288,099	297,809	560,693	276,679	86,692	
\$18,000 under \$19,000	2,196,171	40,600,463	1,813,701	30,703,050	1,269,462	50,304	108,107	389,512	952,721	185,666	62,423	
\$19,000 under \$20,000	2,141,719	41,769,448	1,836,924	33,191,448	1,297,567	33,799	199,408	364,592	826,363	262,515	93,409	
\$20,000 under \$25,000	9,787,762	207,837,324	8,179,281	169,870,130	5,926,543	169,409	1,166	1,591,544	2,906,789	1,400,203	428,271	
\$25,000 under \$30,000	7,517,739	206,201,583	6,836,057	172,899,644	5,339,128	202,091	819,188	1,532,734	2,658,490	1,696,202	623,890	
\$30,000 under \$40,000	11,956,599	415,310,642	10,933,238	351,744,028	9,474,015	434,242	2,319,122	3,048,794	6,015,235	4,081,600	1,469,260	
\$40,000 under \$50,000	8,264,514	369,115,676	7,657,668	312,719,268	7,156,836	369,261	2,135,013	2,671,879	4,735,728	3,476,201	1,424,051	
\$50,000 under \$75,000	8,904,085	532,715,520	8,222,230	440,578,375	8,246,794	625,735	4,201,272	3,851,408	10,055,587	4,163,070	2,024,174	
\$75,000 under \$100,000	2,520,476	214,204,828	2,246,345	160,636,762	2,437,663	357,929	2,699,290	1,470,574	6,030,410	1,167,626	917,428	
\$100,000 under \$200,000	1,778,258	236,074,161	1,509,216	148,353,631	1,736,632	404,477	5,084,120	1,200,857	9,289,868	826,786	1,183,116	
\$200,000 under \$500,000	548,472	161,914,657	448,981	87,848,052	543,049	190,924	4,749,952	427,571	7,957,341	267,103	908,391	
\$500,000 under \$1,000,000	114,808	77,893,798	96,054	35,442,003	114,386	45,466	2,729,712	98,122	4,753,109	60,955	473,166	
\$1,000,000 or more	62,065	169,931,441	51,987	45,356,884	61,938	35,000	3,931,975	56,088	11,917,360	36,774	929,349	
Taxable returns, total	87,135,332	2,989,915,092	75,370,959	2,232,278,705	61,725,973	171,652,089	31,220,545	20,974,667	73,845,536	18,733,876	10,779,557	
No adjusted gross income	5,952	-3,558,231	4,171	405,985	5,849	585	68,185	2,290	137,625	2,676	16,798	
\$1 under \$1,000	904,855	680,691	316,183	199,373	767,690	330,358	14,294	211,473	66,213	2,858	1,063	
\$1,000 under \$2,000	1,084,349	1,591,311	676,520	841,047	1,041,485	529,750	4,989	270,741	139,893	11,430	409	
\$2,000 under \$3,000	884,236	2,201,835	751,227	1,582,503	864,233	425,801	85,781	169,010	85,781	169,010	169,010	
\$3,000 under \$4,000	1,341,720	4,669,966	1,250,181	4,053,181	745,948	346,915	15,848	141,867	134,379	2,858	438	
\$4,000 under \$5,000	949,608	4,279,048	886,440	3,729,623	501,847	239,237	11,816	82,137	64,616	2,125	15	
\$5,000 under \$6,000	1,979,501	10,924,397	1,700,131	8,683,951	871,764	755,680	2,326	151,027	188,694	19,082	10,062	
\$6,000 under \$7,000	2,019,102	13,129,220	1,644,023	9,987,815	1,002,799	1,378,921	17,241	232,301	299,049	25,633	3,383	
\$7,000 under \$8,000	1,915,160	14,315,836	1,520,592	10,515,835	905,325	1,629,343	49,492	204,478	228,588	55,686	11,854	
\$8,000 under \$9,000	1,940,746	16,513,134	1,538,066	12,357,850	926,954	1,781,349	47,774	217,288	304,766	72,844	13,409	
\$9,000 under \$10,000	1,911,374	18,153,480	1,513,757	13,485,796	1,003,860	2,021,718	30,142	236,402	375,230	35,967	8,286	
\$10,000 under \$11,000	2,023,118	21,248,831	1,570,314	15,165,527	1,095,150	2,340,215	98,487	298,276	506,559	49,886	38,794	
\$11,000 under \$12,000	1,916,366	22,061,176	1,395,241	14,680,552	1,129,434	2,738,178	52,828	272,558	552,497	61,316	10,272	
\$12,000 under \$13,000	2,080,175	25,998,673	1,639,120	18,629,180	1,145,476	2,667,076	28,766	285,042	619,476	81,244	32,265	
\$13,000 under \$14,000	2,195,157	29,624,653	1,723,488	21,334,312	1,268,317	3,001,264	37,808	343,755	647,916	96,449	25,028	
\$14,000 under \$15,000	2,189,640	31,704,722	1,779,407	24,229,334	1,275,741	2,624,798	29,044	280,264	544,520	169,670	41,567	
\$15,000 under \$16,000	2,362,514	36,621,178	1,962,704	28,626,476	1,312,169	2,863,476	293,420	358,639	766,923	165,855	40,749	
\$16,000 under \$17,000	2,194,035	36,250,230	1,873,279	28,636,963	1,238,573	2,694,300	273,759	351,174	648,456	176,989	38,216	
\$17,000 under \$18,000	2,342,965	41,029,605	2,000,955	32,989,859	1,318,074	2,858,158	280,319	278,102	445,090	252,491	78,516	
\$18,000 under \$19,000	2,131,858	39,418,043	1,772,107	29,960,162	1,222,209	2,769,761	161,200	372,833	896,614	170,798	52,411	
\$19,000 under \$20,000	2,098,442	40,929,611	1,805,026	32,555,686	1,268,578	2,522,471	199,408	354,463	825,658	246,107	81,806	
\$20,000 under \$25,000	9,141,213	204,811,083	8,085,908	167,870,055	5,831,610	11,366,216	166,083	1,586,220	2,820,016	1,353,494	401,777	
\$25,000 under \$30,000	7,461,760	204,667,435	6,793,795	171,902,761	5,291,152	9,515,738	803,366	1,513,841	2,588,315	1,673,323	592,286	
\$30,000 under \$40,000	11,895,769	413,203,066	10,951,251	350,438,907	18,463,331	18,463,331	2,270,769	3,019,265	5,832,333	4,056,688	1,437,925	
\$40,000 under \$50,000	8,249,552	368,437,697	7,644,466	312,341,720	7,146,089	14,769,224	2,087,101	2,663,112	4,676,817	3,425,061	1,422,614	
\$50,000 under \$75,000	8,897,085	532,315,125	8,217,440	440,364,866	8,240,094	21,746,998	4,196,615	3,848,082	9,990,691	4,159,712	2,004,638	
\$75,000 under \$100,000	2,518,463	214,024,329	2,245,231	160,559,113	2,435,650	12,301,166	357,818	2,698,832	5,993,341	1,167,245	915,798	
\$100,000 under \$200,000	1,776,104	235,793,141	1,507,797	148,282,146	1,734,708	11,579,463	5,055,349	1,999,565	9,227,755	826,741	1,182,062	
\$200,000 under \$500,000	547,869	161,736,529	448,633	87,799,626	542,471	11,579,463	4,736,161	427,147	7,926,364	266,917	905,794	
\$500,000 under \$1,000,000	114,682	77,808,122	95,984	35,429,533	114,263	6,047,998	54,427	98,015	4,440,334	60,910	472,259	
\$1,000,000 or more	61,972	169,334,126	51,923	45,338,466	61,848	12,792,231	3,929,863	56,012	11,880,905	36,740	926,992	
Non-taxable returns, total	22,572,948	93,104,691	17,886,411	105,705,424	7,695,365	15,329,547	1,590,730	1,928,487	3,483,971	847,587	455,31	

Footnotes at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

Size of adjusted gross income	Alimony received			Business or profession			Net loss			Capital gain distribution reported on Form 1040			Net gain in AGI			Sales of capital assets reported on Schedule D														
	Number of returns	Amount	(13)	Net income		(16)	Number of returns		(17)	Amount		(18)	Number of returns		(19)	Amount		(20)	Number of returns		(21)	Amount		(22)	Number of returns		(23)	Amount		(24)
				(15)	(14)		(15)	(14)		(15)	(14)		(15)	(14)		(15)	(14)		(15)	(14)		(15)	(14)		(15)	(14)				
All returns, total	465,437	3,035,504	10,491,980	145,517,755	3,079,460	19,194,505	1,788,122	926,728	7,890,406	160,947,811	4,630,707	8,106,330																		
No adjusted gross income	796	15,394	98,427	1,462,472	335,682	6,275,545	8,220	4,016	137,283	6,196,726	122,591	302,845																		
\$1 under \$1,000	—	—	—	—	—	—	—	—	—	—	—	—																		
\$1,000 under \$2,000	—	—	—	—	—	—	—	—	—	—	—	—																		
\$2,000 under \$3,000	13,555	28,360	165,632	198,404	35,247	95,163	57,817	4,771	55,175	38,871	54,525	36,180																		
\$3,000 under \$4,000	2,858	11,145	175,222	242,353	27,381	136,879	42,864	16,463	52,851	15,787	69,976	95,057																		
\$4,000 under \$5,000	14,288	51,508	189,860	361,944	54,414	191,680	37,150	11,776	60,089	181,533	30,931	42,998																		
\$5,000 under \$6,000	13,555	47,249	293,004	633,336	44,524	215,381	26,094	7,666	90,150	151,773	60,269	97,580																		
\$6,000 under \$7,000	21,395	79,561	403,443	1,284,124	40,759	171,805	24,985	10,773	68,535	158,476	73,164	116,402																		
\$7,000 under \$8,000	13,555	53,260	232,404	911,417	39,666	159,307	32,092	5,223	88,859	134,066	47,877	104,949																		
\$8,000 under \$9,000	13,555	53,260	232,186	1,172,553	25,367	56,892	16,413	3,567	102,436	225,202	93,777	182,514																		
\$9,000 under \$10,000	22,861	108,037	231,077	1,221,478	26,134	92,488	29,234	21,410	88,748	164,931	51,623	82,404																		
\$10,000 under \$11,000	10,697	45,297	237,077	1,391,045	26,134	98,693	34,069	18,111	109,890	244,737	72,570	94,821																		
\$11,000 under \$12,000	5,715	46,350	199,995	1,419,631	58,571	231,568	26,366	9,858	105,112	217,357	66,451	115,542																		
\$12,000 under \$13,000	13,555	79,094	213,386	1,166,168	38,163	124,370	19,270	10,276	100,419	293,196	68,301	119,950																		
\$13,000 under \$14,000	2,858	11,146	237,336	1,388,214	35,294	109,637	29,957	13,772	83,015	225,507	59,791	106,016																		
\$14,000 under \$15,000	22,128	75,305	193,070	1,639,248	56,043	256,260	22,053	8,882	97,764	238,262	69,548	109,122																		
\$15,000 under \$16,000	11,430	37,749	192,976	1,683,814	37,721	161,435	36,416	28,770	100,950	228,862	65,438	126,332																		
\$16,000 under \$17,000	10,697	16,290	201,572	1,382,967	45,837	195,132	23,519	18,399	104,875	356,792	73,586	126,040																		
\$17,000 under \$18,000	13,555	42,003	247,068	1,638,465	49,724	143,884	38,133	20,087	115,901	318,055	61,567	100,257																		
\$18,000 under \$19,000	11,430	51,765	190,062	1,861,800	49,430	261,876	33,519	18,347	117,682	474,263	55,521	94,479																		
\$19,000 under \$20,000	12,124	120,811	218,970	1,599,398	49,130	195,472	29,192	9,338	108,681	437,357	74,343	148,257																		
\$20,000 under \$25,000	55,433	297,050	905,418	2,055,361	35,175	199,921	22,866	14,102	98,674	318,013	94,230	138,631																		
\$25,000 under \$30,000	29,169	176,867	813,168	8,310,004	260,810	1,216,495	132,057	65,808	510,025	2,068,192	316,183	544,190																		
\$30,000 under \$40,000	69,367	611,601	1,301,223	7,959,730	227,916	808,174	147,104	51,285	484,969	1,889,081	285,344	538,469																		
\$40,000 under \$50,000	37,835	235,288	976,977	13,626,441	435,558	1,608,553	258,261	138,230	1,018,347	4,511,072	562,184	921,521																		
\$50,000 under \$75,000	19,614	189,041	1,193,149	11,824,941	322,788	1,237,340	199,651	97,675	823,389	4,336,364	498,281	829,285																		
\$75,000 under \$100,000	14,648	317,509	459,839	22,439,572	380,268	1,431,857	280,059	91,468	1,296,509	11,113,649	792,887	1,311,560																		
\$100,000 under \$200,000	6,786	46,429	408,747	14,748,655	122,920	760,336	92,942	99,119	658,085	8,242,094	332,719	597,492																		
\$200,000 under \$500,000	1,575	60,957	119,361	21,678,144	104,727	943,681	52,312	48,221	714,151	21,245,132	303,549	623,624																		
\$500,000 under \$1,000,000	227	4,752	22,990	11,350,581	36,565	701,201	12,977	20,458	293,941	22,737,659	109,305	251,152																		
\$1,000,000 or more	176	5,219	12,625	3,517,862	10,109	350,613	1,282	23,064	76,480	16,189,366	22,307	55,785																		
Taxable returns, total	402,347	2,762,208	8,322,162	133,710,111	2,301,888	10,767,920	1,685,878	888,894	7,183,883	153,658,215	4,046,018	6,890,116																		
No adjusted gross income	7	689	1,459	154,033	757	161,849	—	—	3,806	1,689,921	787	1,835																		
\$1 under \$1,000	—	—	—	—	—	—	—	—	—	—	—	—																		
\$1,000 under \$2,000	—	—	—	12,284	2,131	2,708	51,437	4,586	28,587	19,266	111,430	3,552																		
\$2,000 under \$3,000	—	—	—	4,249	7,132	9,924	42,864	16,463	37,149	19,577	28,578	9,056																		
\$3,000 under \$4,000	—	—	—	25,494	43,737	—	34,291	9,707	39,724	32,663	20,003	6,358																		
\$4,000 under \$5,000	2,858	3,215	29,743	97,595	—	—	16,130	3,129	31,436	28,333	20,003	1,669																		
\$5,000 under \$6,000	7,840	30,103	140,518	613,933	12,747	23,607	50,175	3,086	26,578	31,011	5,715	1,689																		
\$6,000 under \$7,000	19,270	66,601	88,045	343,598	14,872	39,594	22,128	10,030	26,553	46,175	35,683	33,152																		
\$7,000 under \$8,000	11,430	57,638	106,862	507,907	8,498	17,429	27,110	5,135	64,964	60,582	27,843	45,747																		
\$8,000 under \$9,000	10,697	38,992	76,482	427,660	19,123	30,686	40,872	2,887	62,510	140,343	46,369	77,538																		
\$9,000 under \$10,000	14,288	69,311	117,327	665,925	7,755	16,553	19,270	19,696	39,858	112,698	27,804	28,262																		
\$10,000 under \$11,000	7,840	16,721	119,530	745,862	36,011	131,821	19,918	9,193	75,232	154,106	52,461	55,750																		
\$11,000 under \$12,000	5,715	46,350	118,122	1,025,181	36,011	131,821	24,242	9,765	84,337	170,308	57,138	102,663																		
\$12,000 under \$13,000	8,573	45,436	142,536	83,111	24,034	83,111	17,146	10,253	79,111	184,607	56,870	111,134																		
\$13,000 under \$14,000	—	—	—	891,450	24,751	66,702	17,146	7,278	60,470	148,315	43,888	78,174																		
\$14,000 under \$15,000	22,128	75,305	142,176	1,042,591	36,701	124,541	19,928	7,051	76,884	187,143	61,991	94,469																		
\$15,000 under \$16,000	11,430	37,749	149,902	1,194,403	28,923	124,541	33,558	25,223	84,506	153,480	53,359	99,644																		
\$16,000 under \$17,000	10,697	16,290	165,613	983,429	35,293	127,806	23,519	18,389	91,384	281,614	65,745	116,929																		
\$17,000 under \$18,000	13,555	42,003	228,034	1,295,354	41,967	109,712	36,133	20,087	108,544	275,605	58,406	91,381																		
\$18,000 under \$19,000	11,430	51,765	170,265	1,725,002	47,084	220,155	33,519	18,347	105,215	416,629	47,644	76,570																		
\$19,000 under \$20,000	12,124	120,811	208,944	1,362,007	43,579	125,230	29,192	9,338	98,934	394,606	71,484	139,680																		
\$20,000 under \$25,000	55,433	297,050	871,503	1,874,845	33,793	163,600	22,861	14,102	89,173	282,109	86,390	122,090																		
\$25,000 under \$30,000	29,169	176,867	801,325	7,748,805	246,504	1,025,181	130,676	65,617	489,723	1,844,788	298,711	505,830																		
\$30,000 under \$40,000	69,367	611,601	1,301,223	7,813,548	224,396	1,443,834	147,104	51,285	1,007,869	1,738,836	278,328	523,477																		
\$40,000 under \$50,000	37,835	235,288	976,977	13,432,454	431,332	1,608,553	258,261	138,230	1,018,347	4,283,512	547,434	880,204																		
\$50,000 under \$75,000	19,614	189,041	1,193,149	11,762,650	321,709	1,211,923	893,637	495,161	1,295,001	4,231,282	495,614	898,118																		
\$75,000 under \$100,000	14,648	317,509	459,839	22,331,769	378,517	1,400,839	1,400,839	—	—	11,069,196	789,870	1,306,501																		
\$100,000 under \$200,000	6,786	46,429	408,747	14,738,155	121,868	741,009	—	—	—	1,880,356	332,223	586,003																		
\$200,000 under \$500,000	1,575	60,957	119,361	21,619,282	104,702	939,027	—	—	—	21,147,400	302,772	621,297																		
\$500,000 under \$1,000,000	227	4,752	22,990	11,338,315	36,446	686,466	—	—	—	22,640,546	109,169	250,774																		
\$1,000,000 or more	176	5,219	12,609	3,513,546	6,190	636,955	1,282	23,064	76,394	16,110,331	22,280	55,708																		
Non-taxable returns, total	63,090	273,297	2,169,817	11,807,645	777,572	8,426,584	102,244	37,835	706,524	7,289,596	584,689	1,216,214																		

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Sales of capital assets reported on Schedule D—Continued											
	Current short-term capital gains			Current short-term capital losses			Short-term loss carryover			Current long-term capital gains		
	Number of returns (25)	Amount (26)	Number of returns (27)	Amount (28)	Number of returns (29)	Amount (30)	Number of returns (31)	Amount (32)	Number of returns (33)	Amount (34)	Number of returns (35)	Amount (36)
All returns, total	2,442,933	14,137,399	2,629,332	26,771,308	556,423	13,526,704	9,020,385	171,066,335	5,393,189	45,814,491	998,871	17,012,099
No adjusted gross income	33,972	412,589	57,884	2,232,871	21,649	1,389,302	176,814	7,915,639	128,511	3,976,070	31,426	1,733,252
\$1 under \$1,000	14,243	13,560	16,418	33,880	—	—	67,339	52,727	46,621	35,969	3,521	6,933
\$1,000 under \$2,000	19,274	8,376	22,983	22,983	—	—	67,874	175,335	76,424	473,305	11,430	304,483
\$2,000 under \$3,000	19,796	40,211	16,708	43,160	2,858	32,828	68,319	397,997	32,609	282,635	7,096	258,588
\$3,000 under \$4,000	20,757	34,604	20,994	24,780	7,347	219,437	95,959	168,833	65,743	485,989	9,964	358,830
\$4,000 under \$5,000	18,687	32,030	18,501	156,181	2,660	109,613	138,728	138,728	41,495	373,696	10,937	314,634
\$5,000 under \$6,000	16,414	23,791	33,021	206,261	7,932	155,668	82,183	204,902	66,654	477,775	18,538	294,087
\$6,000 under \$7,000	27,961	25,066	31,856	48,200	11,011	18,900	101,875	204,902	57,376	332,273	7,843	28,577
\$7,000 under \$8,000	23,550	12,722	34,864	100,534	11,011	48,598	122,020	323,883	106,354	457,468	17,657	176,091
\$8,000 under \$9,000	7,702	4,835	22,748	985,728	9,267	877,027	112,527	259,936	49,012	1,446,062	9,914	1,190,885
\$9,000 under \$10,000	27,269	4,753	26,371	113,908	7,098	106,769	139,022	356,538	72,570	356,538	7,096	118,963
\$10,000 under \$11,000	27,176	25,601	35,746	362,259	2,970	187,855	128,026	272,468	71,455	245,278	12,822	89,531
\$11,000 under \$12,000	14,289	19,300	14,595	35,747	8,575	27,534	111,850	246,577	69,201	266,076	17,148	111,040
\$12,000 under \$13,000	12,240	23,932	22,351	48,486	6,374	36,709	98,963	246,577	65,678	592,542	7,557	28,502
\$13,000 under \$14,000	19,669	13,860	22,351	99,817	1,559	71,654	121,850	282,701	75,347	524,499	13,373	361,512
\$14,000 under \$15,000	5,801	1,775	26,912	79,509	7,923	62,579	112,515	299,535	64,996	315,317	15,781	134,526
\$15,000 under \$16,000	29,088	62,036	24,922	211,623	5,715	189,793	128,528	387,493	77,787	385,587	16,130	214,212
\$16,000 under \$17,000	25,881	33,229	26,617	230,042	5,718	187,859	132,746	359,643	67,729	597,962	10,699	474,483
\$17,000 under \$18,000	31,870	67,066	23,392	106,802	5,233	67,946	118,615	472,999	57,446	427,849	17,069	305,285
\$18,000 under \$19,000	25,727	130,102	24,253	67,500	2,858	1,003	122,320	389,902	88,567	351,987	20,890	206,845
\$19,000 under \$20,000	19,185	30,753	37,989	138,016	10,868	64,223	125,608	367,741	76,826	335,140	17,772	94,253
\$20,000 under \$25,000	128,932	292,497	140,451	2,688,792	34,179	4,822,575	595,466	2,381,009	323,029	1,994,812	58,100	1,006,445
\$25,000 under \$30,000	96,154	225,940	133,590	630,568	34,759	200,338	555,035	2,092,838	327,572	1,829,925	64,322	489,228
\$30,000 under \$40,000	316,798	619,380	339,380	1,285,065	53,191	301,803	1,133,776	5,316,896	652,599	8,896,090	89,498	896,090
\$40,000 under \$50,000	264,727	513,162	266,118	1,391,971	34,071	565,791	910,708	4,737,793	525,033	2,645,164	105,075	708,500
\$50,000 under \$75,000	452,347	944,408	483,387	3,064,063	104,008	1,229,001	1,467,147	12,447,609	885,710	5,503,653	154,853	1,915,045
\$75,000 under \$100,000	248,758	882,047	242,050	1,841,806	55,015	998,312	734,526	9,145,450	445,458	3,009,918	86,169	1,018,702
\$100,000 under \$200,000	277,838	2,217,838	283,938	4,104,698	63,033	2,101,072	831,051	23,137,491	474,712	3,198,054	93,287	1,575,693
\$200,000 under \$500,000	144,196	2,081,048	136,025	2,694,046	31,717	1,125,689	344,438	24,262,149	209,632	4,068,034	44,386	1,443,193
\$500,000 under \$1,000,000	42,796	1,473,781	40,769	1,273,382	9,042	669,153	88,885	16,633,887	56,596	1,874,061	11,211	492,235
\$1,000,000 or more	29,337	3,827,699	27,172	2,225,277	5,483	2,225,277	52,954	57,310,290	34,726	3,071,569	6,702	661,449
Taxable returns, total	2,260,457	13,329,111	2,364,166	22,347,198	470,819	10,568,905	8,153,204	161,022,821	4,797,813	37,315,137	856,977	13,098,754
No adjusted gross income	1,166	86,312	1,506	130,119	220	43,901	4,295	1,862,767	1,765	212,488	311	44,561
\$1 under \$1,000	5,720	859	2,863	810	—	—	25,729	18,564	11,435	2,898	—	—
\$1,000 under \$2,000	14,290	5,445	5,715	1,675	—	—	45,724	28,134	37,151	21,401	—	—
\$2,000 under \$3,000	11,430	8,770	5,715	634	—	—	34,009	27,145	25,715	2,598	—	—
\$3,000 under \$4,000	5,715	4,761	—	—	—	—	34,293	25,687	25,718	8,473	—	—
\$4,000 under \$5,000	2,858	2,423	2,858	114	—	—	19,721	28,622	8,573	1,609	—	—
\$5,000 under \$6,000	5,715	12,605	19,271	43,757	—	—	26,553	37,735	24,985	32,683	2,858	1,380
\$6,000 under \$7,000	20,612	20,181	12,126	17,408	2,858	13,111	70,031	89,230	39,969	80,811	2,860	1,333
\$7,000 under \$8,000	11,430	1,946	17,146	12,691	—	—	68,225	161,948	59,191	196,664	7,096	95,023
\$8,000 under \$9,000	4,982	2,994	10,659	902,721	3,551	823,521	54,107	131,523	31,356	1,306,076	6,409	1,167,636
\$9,000 under \$10,000	19,185	35,917	20,651	40,986	1,381	33,912	98,543	184,727	56,051	200,357	7,096	118,963
\$10,000 under \$11,000	22,822	20,696	31,395	203,908	2,858	42,070	110,016	219,215	59,264	222,248	10,697	76,510
\$11,000 under \$12,000	14,289	19,300	11,727	34,956	8,574	27,511	87,684	197,400	56,138	241,562	17,147	111,016
\$12,000 under \$13,000	7,109	21,706	12,078	30,002	2,125	26,070	72,831	166,112	50,812	567,485	5,433	24,399
\$13,000 under \$14,000	12,094	10,133	16,344	36,380	6,655	21,257	99,007	212,993	61,326	481,565	12,822	353,447
\$14,000 under \$15,000	2,943	39,912	18,340	71,394	7,923	62,579	96,071	223,943	50,041	268,789	10,627	100,627
\$15,000 under \$16,000	22,724	39,912	14,967	15,883	2,858	3,838	115,035	319,268	72,803	379,467	16,130	214,212
\$16,000 under \$17,000	25,879	32,884	26,314	226,969	5,715	187,313	122,228	319,268	59,353	566,503	7,841	466,510
\$17,000 under \$18,000	26,930	44,803	19,833	73,400	4,249	40,023	102,808	403,828	50,511	350,154	17,049	304,969
\$18,000 under \$19,000	22,870	129,976	31,395	67,327	2,858	1,003	109,714	333,866	80,633	318,213	20,889	206,817
\$19,000 under \$20,000	19,185	30,912	32,910	84,874	7,840	43,114	111,301	324,847	74,062	332,451	17,770	94,114
\$20,000 under \$25,000	119,664	175,876	127,510	2,508,101	31,469	1,443,244	564,961	2,067,341	300,182	1,653,258	49,631	926,371
\$25,000 under \$30,000	92,456	225,093	131,364	1,511,655	33,373	182,713	541,436	1,918,844	318,632	1,490,861	59,911	481,228
\$30,000 under \$40,000	311,930	612,307	329,369	1,250,144	51,111	296,896	1,118,585	5,069,883	636,902	3,573,517	83,404	664,223
\$40,000 under \$50,000	263,134	459,672	262,163	1,381,175	34,071	565,791	907,134	4,666,710	524,186	2,634,621	104,668	700,296
\$50,000 under \$75,000	451,645	939,796	481,490	2,985,657	103,705	1,714,481	1,464,121	12,198,030	882,295	5,344,351	154,553	1,902,033
\$75,000 under \$100,000	248,634	879,391	241,452	1,584,348	54,601	783,666	733,771	9,040,003	444,500	2,921,513	85,850	971,831
\$100,000 under \$200,000	277,071	2,184,387	283,384	3,968,091	62,642	1,978,705	829,363	22,995,185	473,744	5,103,020	92,970	1,521,135
\$200,000 under \$500,000	143,959	2,055,063	135,709	2,642,298	31,647	1,101,098	343,986	24,089,064	209,333	3,964,788	44,910	1,424,421
\$500,000 under \$1,000,000	42,731	1,462,764	40,769	1,261,172	9,024	492,467	88,778	16,544,551	56,518	1,845,791	11,198	488,484
\$1,000,000 or more	29,285	3,800,922	27,113	2,158,549	5,473	646,620	52,874	57,145,214	34,661	2,988,923	6,694	637,213
Non-taxable returns, total	182,475	808,287	265,166	4,424,110	87,604	2,957,800	867,181	10,023,515	595,376	8,499,354	141,894	3,913,345

Footnotes at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

Size of adjusted gross income	Sales of property other than capital assets				Total taxable IRA distributions				Total				Pensions and annuities				Rent			
	Net gain		Net loss		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	In adjusted gross income		Net income		Net loss (includes nondeductible loss)					
	Number of returns	Amount	Number of returns	Amount							Number of returns	Amount	Number of returns	Amount						
960,705	6,279,700	795,246	4,419,387	2,645,142	11,118,008	17,192,037	175,469,215	16,481,248	138,785,886	3,722,828	21,139,837	5,157,554	33,004,254							
No adjusted gross income	37,609	472,384	67,077	2,021,601	12,467	90,100	47,877	732,780	38,763	377,526	64,826	637,983	136,976	3,174,764						
\$1 under \$1,000	4,374	*1,204	*2,126	*7,143	*9,167	*11,327	35,930	210,932	33,073	108,661	19,688	27,831	31,283	194,274						
\$1,000 under \$2,000	*5,438	*7,495	*5,017	*1,705	*5,715	*10,342	74,309	305,906	62,878	60,916	*12,814	*27,646	32,140	143,122						
\$2,000 under \$3,000	*14,090	*29,644	*4,249	*20,244	*14,006	*17,063	126,032	268,487	117,509	338,017	21,868	39,810	41,595	175,259						
\$3,000 under \$4,000	*6,039	*23,441	*8	*201	*19,270	*26,070	168,365	337,792	165,508	338,017	37,169	52,385	49,159	177,108						
\$4,000 under \$5,000	*9,803	*66,932	*10,715	*7,391	*37,094	92,783	258,472	781,652	255,614	730,444	54,136	147,051	50,231	154,149						
\$5,000 under \$6,000	*2,520	*26,220	*3,618	*51,872	27,689	83,533	298,700	1,075,441	292,984	936,971	86,736	192,354	39,352	242,384						
\$6,000 under \$7,000	*9,052	*17,219	*4,244	*4,139	29,244	75,111	390,527	1,650,927	387,669	1,503,637	56,734	124,028	55,602	301,138						
\$7,000 under \$8,000	*4,966	*14,800	*9,232	*35,227	27,643	82,065	440,455	1,972,359	432,615	1,879,289	97,162	271,061	46,954	189,312						
\$8,000 under \$9,000	*10,416	*24,793	*11,014	*29,875	35,686	124,119	507,941	2,367,884	498,968	2,405,643	77,309	144,657	46,954	189,312						
\$9,000 under \$10,000	*12,814	*11,952	*7,108	*5,672	38,540	106,061	511,594	2,700,036	505,878	2,479,614	97,068	224,591	57,641	242,459						
\$10,000 under \$11,000	*19,533	*42,971	*9,980	*20,223	66,308	169,573	477,372	2,701,797	2,560,245	2,459,505	97,650	249,505	48,135	251,543						
\$11,000 under \$12,000	26,715	46,880	*3,505	*1,276	58,544	206,817	499,278	3,364,821	498,982	3,220,381	66,016	121,787	41,441	188,290						
\$12,000 under \$13,000	19,687	35,851	*11,637	*10,135	82,137	228,315	477,896	2,947,406	477,896	2,856,285	84,189	263,760	55,935	275,067						
\$13,000 under \$14,000	*8,768	*20,655	*8,573	*18,554	43,919	120,858	477,352	3,720,151	468,779	3,315,883	47,778	147,998	80,005	293,812						
\$14,000 under \$15,000	*10,415	*7,808	*11,446	*60,220	80,596	270,917	445,255	3,533,103	437,853	3,279,965	62,840	131,774	77,779	424,940						
\$15,000 under \$16,000	*7,961	*13,540	*17,511	*28,529	58,419	122,581	466,422	3,664,692	457,849	3,133,226	52,545	174,152	57,414	249,831						
\$16,000 under \$17,000	17,613	92,794	*7,389	*45,073	66,553	270,894	432,632	2,944,134	429,774	2,765,361	72,190	132,844	64,788	255,968						
\$17,000 under \$18,000	21,572	90,896	*9,602	*10,388	61,901	175,984	388,842	3,446,492	369,571	3,078,953	92,427	238,952	84,679	294,136						
\$18,000 under \$19,000	*12,000	*25,969	*13,410	*13,752	51,520	193,162	452,324	4,688,786	446,608	4,058,312	46,861	94,074	75,742	261,102						
\$19,000 under \$20,000	*10,457	*5,636	22,046	73,179	60,598	112,281	347,637	3,080,388	347,637	2,743,306	53,707	238,532	58,289	259,405						
\$20,000 under \$25,000	47,520	149,585	52,941	108,402	235,496	708,508	1,574,474	15,201,258	1,547,543	13,655,327	302,625	926,475	359,938	1,629,152						
\$25,000 under \$30,000	72,289	207,409	50,152	201,876	589,938	1,202,713	12,852,159	1,167,597	1,167,597	10,916,000	246,706	696,933	383,859	1,806,764						
\$30,000 under \$40,000	107,197	393,906	89,678	379,208	1,357,287	2,002,522	20,061,396	1,888,730	1,888,730	16,842,283	484,455	1,662,625	683,074	3,407,239						
\$40,000 under \$50,000	114,132	453,930	77,107	137,207	323,322	1,167,411	1,707,149	18,356,598	1,615,049	15,293,871	338,258	1,377,495	643,732	2,870,396						
\$50,000 under \$75,000	126,604	780,322	109,504	337,982	402,065	2,155,849	2,774,305	19,629,994	2,001,384	17,628,610	487,181	2,545,799	906,558	5,427,133						
\$75,000 under \$100,000	77,848	482,105	42,724	137,788	110,688	725,908	670,659	11,787,754	600,525	7,863,573	204,354	1,861,053	380,092	2,803,568						
\$100,000 under \$200,000	79,038	774,790	71,529	307,546	79,032	842,048	441,082	10,128,066	377,016	6,400,967	218,248	3,229,030	371,718	3,549,091						
\$200,000 under \$500,000	43,078	784,491	45,511	220,610	20,906	490,502	119,651	5,797,822	96,903	2,553,853	98,524	2,574,272	136,306	2,168,304						
\$500,000 under \$1,000,000	12,410	425,940	3,628	128,923	3,628	151,815	29,177	2,835,776	22,656	1,124,115	25,712	1,155,219	30,465	753,188						
\$1,000,000 or more	8,707	748,136	9,411	171,864	2,255	338,785	16,454	3,708,917	12,880	2,069,168	15,583	1,339,162	16,176	671,544						
Taxable returns, total	807,090	5,437,679	670,739	2,225,645	2,402,929	10,339,118	15,123,147	165,269,354	14,470,534	130,574,931	3,166,371	19,160,960	4,527,899	27,278,991						
No adjusted gross income	742	69,976	497	58,819	24	645	248	12,848	223	8,693	841	32,931	1,658	286,624						
\$1 under \$1,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..
\$1,000 under \$2,000	*2,577	*5,497	*2,859	*90	..	*8,573	*17,148	*6,822	*5,717	*6,427	*2,858	*4,615	*5	*15,566						
\$2,000 under \$3,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..
\$3,000 under \$4,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..
\$4,000 under \$5,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..
\$5,000 under \$6,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..
\$6,000 under \$7,000	*5,433	*1,720	*2,858	*60	*5,715	*10,342	35,930	210,932	33,073	108,661	19,688	27,831	31,283	194,274						
\$7,000 under \$8,000	*4,982	*14,702	*2,858	*740	*5,715	*10,342	74,309	305,906	62,878	60,916	*12,814	*27,646	32,140	143,122						
\$8,000 under \$9,000	*5,434	*6,159	*5,715	*7,784	*37,149	*70,186	249,721	1,288,660	246,864	1,244,393	42,789	78,612	26,732	68,358						
\$9,000 under \$10,000	*7,275	*11,447	*4,982	*7,851	*19,270	*50,761	292,715	1,395,848	289,858	1,335,579	56,000	111,427	26,732	68,358						
\$10,000 under \$11,000	*14,383	*38,768	*6,474	*7,429	48,504	110,454	398,147	2,226,736	387,450	2,188,759	73,397	201,399	33,292	117,184						
\$11,000 under \$12,000	*12,935	*27,355	*10,973	*10,045	48,579	151,581	456,541	2,966,768	456,246	2,966,768	48,222	121,005	36,949	146,689						
\$12,000 under \$13,000	*10,287	*27,355	*10,973	*10,045	48,579	151,581	456,541	2,966,768	456,246	2,966,768	48,222	121,005	36,949	146,689						
\$13,000 under \$14,000	*2,575	*6,263	*8,573	*18,554	43,898	120,400	451,652	3,557,673	443,080	3,156,109	38,540	102,733	36,064	113,850						
\$14,000 under \$15,000	*7,840	*5,194	*6,721	*59,302	75,614	257,221	412,617	3,298,607	405,511	3,078,473	40,511	102,733	65,971	238,044						
\$15,000 under \$16,000	*5,814	*6,181	*17,511	*28,529	54,180	117,420	429,358	3,455,411	420,785	2,941,215	46,166	154,343	44,678	229,725						
\$16,000 under \$17,000	*14,737	*80,678	*5,265	*44,412	66,551	270,744	2,793,397	412,417	2,793,397	2,665,333	63,362	106,190	59,584	233,068						
\$17,000 under \$18,000	*65,964	*65,964	*65,964	*65,964	61,237	173,327	383,126	3,420,994	363,856	3,053,455	84,851	208,395	73,597	253,370						
\$18,000 under \$19,000	*11,598	*25,637	*13,409	*13,752	51,520	193,162	442,438	4,637,145	436,723	4,010,958	81,955	171,465	71,465	249,828						
\$19,000 under \$20,000	*10,455	*22,944	*7,809	*58,473	106,298	268,948	345,062	3,079,649	345,062	2,742,567	48,259	196,136	53,875	215,691						
\$20,000 under \$25,000	41,033	102,225	50,176	98,299	235,196	706,667	1,550,102	15,064,874	1,523,171	13,510,746	296,710	849,286	341,049	1,411,219						
\$25,000 under \$30,000	63,874	152,682	50,068	201,117	181,329	589,938	1,190,436	12,685,266	1,136,347	10,889,200	243,214	1,685,560	379,637	1,733,746						
\$30,000 under \$40,000	106,662	384,067	89,013	199,768	373,150	1,282,744	1,998,374	20,026,718	1,884,745	16,807,606	481,785	1,620,529	674,097	3,247,950						
\$40,000 under \$50,000	113,675	439,604	70,613	121,270	323,322	1,167,411	1,700,134	18,267,284	1,608,035	15,204,572	338,258	1,376,710	647,516	2,823,024						
\$50,000 under \$75,000	126,182	779,007	108,726	313,630	402,065	2,154,943	2,770,947	19,629,994	2,001,384	17,628,610	487,181	2,545,799	906,558	5,427,133						
\$75,000 under \$100,000	77,821	481,974	42,401	135,976	110,688	725,908	670,659	11,787,754	600,525	7,863,573	204,354	1,861,053	380,092	2,803,568						
\$100,000 under \$200,000	79,000	772,066	71,223	303,648	79,032	842,048	441,082	10,128,066	377,016	6,400,967	218,248	3,229,030	371,718	3,549,091						
\$200,000 under \$500,000	43,001	777,504	45,431	217,648	20,896	490,282	119,574	5,793,491	96,903	2,553,853	98,524	2,574,272	136,306	2,168,304						
\$500,000 under \$1,000,000	12,388	427,005	13,355	127,914	*5,879	*490,161	29,157	2,834,056												

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Royalty			Net income			Farm rental			Total rent and royalty		
	Net income		Number of returns	Net loss			Net income		Number of returns	Net income		Number of returns
	Number of returns	Amount		Number of returns	Amount	(53)	Number of returns	Amount		Number of returns	Amount	
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)
All returns, total	1,066,348	3,804,387	83,318	91,684	536,401	2,916,428	100,633	341,724	4,797,003	27,602,158	5,198,855	28,800,967
No adjusted gross income	23,467	177,657	709	2,994	896	12,353	2,030	17,295	74,405	814,099	135,760	2,421,450
\$1 under \$1,000	7,109	1,992	—	—	—	—	—	—	21,814	29,843	31,283	185,481
\$1,000 under \$2,000	7,841	1,236	664	2,132	2,238	13,107	—	—	29,237	41,870	32,140	138,756
\$2,000 under \$3,000	10,058	5,834	—	—	12,822	15,104	2,860	11,436	35,423	58,153	44,452	176,971
\$3,000 under \$4,000	16,413	5,377	—	—	8,573	6,284	2,858	24,024	53,582	69,948	49,159	197,034
\$4,000 under \$5,000	13,555	4,269	—	—	13,555	30,580	5,715	11,190	76,264	181,900	55,947	157,069
\$5,000 under \$6,000	12,915	1,233	—	—	10,698	22,497	2,858	9,104	104,541	216,083	39,351	251,020
\$6,000 under \$7,000	16,415	16,439	5,619	918	8,573	15,905	4,982	4,383	81,719	156,291	59,840	291,669
\$7,000 under \$8,000	8,573	8,187	—	—	22,861	79,218	13,850	31,919	117,165	329,885	60,476	145,614
\$8,000 under \$9,000	19,132	57,047	—	—	9,332	40,175	13,850	31,919	97,337	240,121	58,680	219,474
\$9,000 under \$10,000	9,336	26,608	—	—	11,432	32,060	2,858	137	110,626	283,259	60,499	232,734
\$10,000 under \$11,000	11,498	25,363	2,125	4,678	15,679	50,677	2,125	2,738	116,294	321,646	50,911	254,935
\$11,000 under \$12,000	23,027	13,002	—	—	8,290	10,412	2,125	86,396	233,516	321,646	41,441	187,599
\$12,000 under \$13,000	19,636	7,111	2,126	36	14,288	64,248	2,125	1,957	97,743	335,079	58,059	261,439
\$13,000 under \$14,000	30,418	54,694	—	—	20,003	86,902	2,858	3,269	83,911	284,630	80,006	292,143
\$14,000 under \$15,000	13,273	13,039	—	—	12,628	71,273	2,125	11,347	84,041	216,086	79,904	429,842
\$15,000 under \$16,000	14,639	73,718	5,715	411	22,128	137,008	2,125	5,235	83,246	384,877	61,733	244,527
\$16,000 under \$17,000	13,275	11,477	—	—	11,812	62,548	2,125	1,268	88,320	196,979	66,913	229,415
\$17,000 under \$18,000	18,213	22,949	1,381	324	5,433	42,549	—	—	105,700	300,992	94,679	291,329
\$18,000 under \$19,000	15,844	11,014	—	—	14,006	64,682	664	3,467	72,866	142,549	74,158	253,828
\$19,000 under \$20,000	15,680	21,868	5	—	18,573	64,682	—	—	75,103	325,081	58,953	262,872
\$20,000 under \$25,000	77,305	80,504	6,193	404	51,734	242,448	9,711	22,877	395,124	1,234,128	359,035	1,539,848
\$25,000 under \$30,000	64,486	209,219	7,510	1,642	43,389	297,105	1,498	22,389	321,731	1,196,240	382,991	1,685,632
\$30,000 under \$40,000	133,853	214,044	13,129	22,066	62,707	200,890	10,519	45,327	620,247	2,057,081	686,237	3,253,234
\$40,000 under \$50,000	96,782	254,854	5,486	1,140	39,607	358,875	7,026	19,751	437,278	1,988,936	650,658	2,830,439
\$50,000 under \$75,000	144,081	302,487	13,196	2,126	56,879	408,025	10,425	16,556	613,048	3,212,201	908,853	5,194,135
\$75,000 under \$100,000	84,080	286,668	5,321	15,223	14,360	114,128	3,174	16,656	266,726	2,243,222	379,431	2,592,095
\$100,000 under \$200,000	82,594	583,343	7,986	8,336	19,990	238,764	4,254	17,897	273,426	4,023,686	363,396	2,481,720
\$200,000 under \$500,000	43,781	545,555	4,124	8,947	5,431	119,686	1,201	12,185	122,431	3,206,739	128,949	1,235,188
\$500,000 under \$1,000,000	11,020	301,417	1,218	5,307	1,001	13,389	449	3,419	31,494	1,456,736	29,486	471,556
\$1,000,000 or more	7,851	466,165	812	13,699	483	22,175	70	4,187	19,763	1,616,300	15,475	471,921
Taxable returns, total	914,148	3,471,280	76,312	85,422	464,451	2,744,718	270,468	237,442	4,106,217	25,171,675	4,538,388	23,899,747
No adjusted gross income	487	9,068	9	29	7	59	7	550	955	40,426	1,637	161,670
\$1 under \$1,000	—	—	—	—	—	—	—	—	6	134	5	24
\$1,000 under \$2,000	—	—	—	—	2,858	3,672	—	—	5,715	8,287	5,717	9,166
\$2,000 under \$3,000	—	—	—	—	—	—	—	—	—	—	—	—
\$3,000 under \$4,000	—	—	—	—	—	—	—	—	—	—	—	—
\$4,000 under \$5,000	—	—	—	—	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	2,126	455	—	—	4,982	13,892	—	—	5,715	85,319	9,964	52,120
\$6,000 under \$7,000	11,430	15,451	2,858	246	5,715	12,239	—	—	35,195	98,071	20,652	94,268
\$7,000 under \$8,000	8,573	8,187	—	—	14,288	32,568	2,127	1,610	51,794	144,053	26,377	29,118
\$8,000 under \$9,000	8,573	11,853	—	—	2,858	14,528	4,982	1,178	51,362	104,482	24,253	111,871
\$9,000 under \$10,000	5,717	2,925	—	—	11,430	32,051	2,858	137	67,432	146,402	29,589	68,495
\$10,000 under \$11,000	7,901	15,778	2,125	4,678	15,679	50,677	2,125	2,738	88,444	267,857	37,541	124,502
\$11,000 under \$12,000	13,555	2,003	—	—	10,698	22,497	2,858	9,104	104,541	120,026	36,949	146,020
\$12,000 under \$13,000	13,555	1,064	2,126	36	11,430	57,998	2,125	1,957	77,640	275,016	38,188	109,431
\$13,000 under \$14,000	25,436	52,023	—	—	20,003	86,902	2,858	3,269	69,691	236,695	65,472	236,384
\$14,000 under \$15,000	8,573	10,576	—	—	12,628	71,273	2,125	11,347	73,797	197,785	67,921	359,234
\$15,000 under \$16,000	14,839	73,718	2,858	409	22,128	137,008	2,125	1,268	76,867	365,068	46,872	219,185
\$16,000 under \$17,000	8,573	646	—	—	11,148	61,048	2,125	1,268	76,867	365,068	46,872	219,185
\$17,000 under \$18,000	15,637	6,571	1,381	324	5,433	42,549	—	—	98,123	254,058	73,597	250,563
\$18,000 under \$19,000	15,520	9,651	—	—	14,006	44,270	—	—	71,878	129,067	69,881	242,675
\$19,000 under \$20,000	21,859	21,859	—	—	8,573	64,682	664	3,467	69,654	282,676	54,539	219,158
\$20,000 under \$25,000	76,346	80,428	6,193	404	51,734	242,448	9,711	22,877	388,546	1,156,903	340,146	1,328,680
\$25,000 under \$30,000	63,022	206,617	7,510	1,642	43,389	297,105	1,498	22,389	316,857	1,180,465	378,769	1,639,885
\$30,000 under \$40,000	133,853	213,916	13,129	22,066	62,706	200,792	10,519	45,327	617,575	2,014,759	677,260	3,137,964
\$40,000 under \$50,000	96,741	254,094	5,486	1,140	39,607	358,875	7,026	19,751	437,236	1,987,391	649,442	2,790,163
\$50,000 under \$75,000	143,769	296,344	13,196	2,126	56,879	408,025	10,373	16,556	610,853	3,171,023	906,939	5,169,823
\$75,000 under \$100,000	84,055	285,609	5,321	15,223	14,360	114,128	3,174	16,656	266,638	2,238,555	378,540	2,564,398
\$100,000 under \$200,000	82,594	583,144	7,986	8,336	19,990	238,764	4,254	17,897	273,426	4,009,831	362,787	2,469,544
\$200,000 under \$500,000	43,697	541,535	4,124	8,947	5,431	119,686	1,201	12,185	122,431	3,200,969	128,744	1,225,181
\$500,000 under \$1,000,000	10,991	300,959	1,218	5,307	1,001	13,389	449	3,419	31,454	1,454,148	29,443	461,603
\$1,000,000 or more	7,830	465,785	812	13,699	483	22,175	70	4,187	19,727	1,812,105	15,455	470,007
Nonliable returns, total	152,200	333,126	7,005	6,262	71,950	171,710	30,165	104,282	690,786	2,430,484	650,466	4,981,220

Footnotes at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Partnership and S Corporation				Estate and trust				Farm			
	Net income		Net loss		Net income		Net loss		Net income		Net loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(63)	(64)	(65)	(66)	(67)	(68)	(69)	(70)	(71)	(72)	(73)	(74)
All returns, total	2,902,129	100,918,463	2,997,094	43,838,237	529,013	4,599,070	67,540	464,811	992,432	11,241,087	1,375,058	12,417,624
No adjusted gross income	23 336	679,327	169 401	16,159 414	8 540	59,684	5,363	101 467	33 061	436 590	117 075	2,923 809
\$1 under \$1,000	*14,224	*6,650	3 098	151 103	*664	*4,020	*666	*11 100	24 404	17 200	9 616	63 488
\$1,000 under \$2,000	*8 573	*7,984	22 613	177 470	*14,290	*20 101	—	—	21 566	79 492	11 270	80 387
\$2,000 under \$3,000	*17 146	*20,017	10 558	104 599	*2,858	*374	—	—	12 878	23,079	6 645	112 456
\$3,000 under \$4,000	19 270	*27,637	21 901	158 855	*8 573	*1,685	—	—	23 501	62 034	*2,917	*13 571
\$4,000 under \$5,000	20 947	109 429	26 593	111 909	*8 574	*29 455	—	—	17 147	29 216	25 180	179 357
\$5,000 under \$6,000	40 387	100 609	16 882	137 670	*13 555	*25 713	—	—	26 347	79 224	13 903	61 488
\$6,000 under \$7,000	18 643	109 215	21 334	14 141	*8 573	*22 535	*2,126	*172	32 537	121 963	34 076	127 105
\$7,000 under \$8,000	35 685	131 538	21 754	129 634	*4 982	*8 281	—	—	23 482	100 308	19 388	155 012
\$8,000 under \$9,000	47 468	160 426	20 231	56 347	*5 282	*7 061	*3	*51	24 221	155 152	32 996	144 062
\$9,000 under \$10,000	30 155	132 135	28 533	283 976	*5 715	*13 388	—	—	28 923	185 259	24 070	110 330
\$10,000 under \$11,000	43 981	226 114	19 303	78 957	*14 288	*14 551	—	—	*12 877	*48 408	42 283	222 350
\$11,000 under \$12,000	30 263	205 043	22 289	104 687	*11 430	*31 125	—	—	24 431	187 531	20 826	228 266
\$12,000 under \$13,000	46 031	299 777	18 659	68 069	*2 858	*26 087	—	—	23 499	122 399	35 290	157 184
\$13,000 under \$14,000	50 378	192 591	16 650	22 482	*18 538	*94 249	—	—	*19 700	*145 074	18 512	95 640
\$14,000 under \$15,000	29 735	140 879	29 560	123 088	*11 430	*58 429	*2 858	*10 899	*10 321	*77 908	26 564	118 263
\$15,000 under \$16,000	39 324	271 698	38 557	137 599	*7 930	*53 038	*2 858	*809	*10 302	*37 150	21 298	153 385
\$16,000 under \$17,000	40 021	166 103	22 431	118 622	*2 858	*33 588	*2 858	*2 343	23 059	83 721	26 412	163 948
\$17,000 under \$18,000	*16 445	*105 673	43 830	258 663	*20	()	—	—	24 065	162 952	23 075	118 627
\$18,000 under \$19,000	35 119	93 392	40 336	215 298	*8 573	*20 026	—	—	*12 426	*61 763	40 813	243 022
\$19,000 under \$20,000	40 969	265 173	46 449	121 021	*7 842	*8 835	—	—	22 088	146 485	24 023	196 195
\$20,000 under \$25,000	143 323	1 099 479	175 811	956 841	40 488	238 241	*2 370	*22 514	76 945	643 060	136 833	692 543
\$25,000 under \$30,000	157 824	1 145 951	142 153	797 391	27 786	61 097	—	—	81 863	936 020	129 704	851 540
\$30,000 under \$40,000	310 053	2 195 096	301 346	1 338 550	64 288	150 745	*6 552	*33 154	145 233	1 580 165	147 710	1 035 674
\$40,000 under \$50,000	283 884	3 163 506	329 621	1 522 125	43 324	193 956	*5 608	*17 732	190 802	1 703 486	137 638	703 486
\$50,000 under \$75,000	444 119	6 024 776	495 332	2 551 906	75 742	386 273	8 911	48 227	90 850	2 082 956	138 044	952 121
\$75,000 under \$100,000	266 762	5 528 278	285 677	1 985 078	30 998	194 132	4 488	9 551	25 519	677 914	43 038	371 218
\$100,000 under \$200,000	376 179	15 540 265	366 031	4 317 322	43 528	624 695	12 219	70 060	23 616	674 695	39 299	778 656
\$200,000 under \$500,000	190 519	18 591 579	177 525	4 684 539	23 805	649 917	7 475	69 760	8 419	696 515	18 509	686 801
\$500,000 under \$1,000,000	50 025	11 378 161	40 908	2 610 601	6 886	341 519	1 835	33 511	1 964	145 803	4 920	282 484
\$1,000,000 or more	31 344	32 760 059	22 026	4 340 979	4 794	1 186 270	1 353	375 846	1 310	250 249	3 188	394 846
Taxable returns, total	2,672,455	99 085 439	2,589,940	26,827 444	462 956	4,303 835	59,192	375,846	723,762	9,287 350	1,044,050	8,123,994
No adjusted gross income	728	168 069	3 886	2 141 300	256	8 719	155	19 542	55	6 981	822	90 524
\$1 under \$1,000	*2 863	*44	*6	*4 355	—	—	—	—	*2 575	—	—	—
\$1,000 under \$2,000	*5 715	*4 181	*5 717	*3 436	*14 290	*20 101	—	—	*7 726	—	—	—
\$2,000 under \$3,000	*2 858	*740	—	*5 923	*2 860	*528	—	—	*10 301	*20 094	—	—
\$3,000 under \$4,000	*5 715	*1 223	*2 860	—	—	—	—	—	*2 575	*12 271	—	—
\$4,000 under \$5,000	*11 430	—	—	—	*2 858	*4 115	—	—	—	—	—	—
\$5,000 under \$6,000	*19 275	*81 740	*8 739	*54 319	*5 715	*13 308	—	—	*10 304	*36 971	*2 577	*833
\$6,000 under \$7,000	*11 430	*38 420	*7 097	*2 641	*2 858	*16 411	—	—	*10 301	*35 767	*7 726	*18 014
\$7,000 under \$8,000	*24 985	*65 155	*5 715	*10 313	*4 982	*8 281	—	—	*6 532	*38 428	*2 575	*16 080
\$8,000 under \$9,000	31 112	79 637	*10 700	*34 742	*2 125	*2 350	—	—	*10 301	*38 365	*10 302	*35 645
\$9,000 under \$10,000	*14 653	*38 678	*11 358	*90 815	*2 858	*363	—	—	*17 576	*80 942	*13 808	*62 161
\$10,000 under \$11,000	32 354	138 050	*13 557	*17 673	*11 430	*14 491	—	—	*7 726	*19 219	34 581	202 686
\$11,000 under \$12,000	*21 690	*139 379	*9 955	*7 190	*8 573	*14 740	—	—	*7 726	*41 250	*13 496	*125 545
\$12,000 under \$13,000	38 929	230 276	*9 338	*35 537	—	—	—	—	*14 550	*65 062	22 557	93 854
\$13,000 under \$14,000	29 685	46 459	*10 698	*7 865	*18 538	*94 249	—	—	*10 301	*51 504	*10 488	*54 166
\$14,000 under \$15,000	22 043	92 888	23 650	96 665	*8 573	*55 803	*2 858	*10 899	*5 150	*30 756	*16 714	*75 894
\$15,000 under \$16,000	34 341	258 877	32 172	103 076	*3 691	*12 466	—	—	*10 301	*37 137	19 173	150 924
\$16,000 under \$17,000	36 064	124 219	22 051	61 040	*2 858	*33 588	—	—	*19 700	*68 676	23 171	147 247
\$17,000 under \$18,000	*13 587	*104 276	32 458	141 298	*2 858	*20 026	*2 858	*2 343	*20 109	*157 082	17 903	95 644
\$18,000 under \$19,000	35 118	93 196	37 235	177 248	*8 573	*20 026	—	—	*12 426	*61 763	38 999	202 660
\$19,000 under \$20,000	40 302	239 486	40 824	92 816	*7 842	*8 835	—	—	*109 177	*109 177	19 291	146 473
\$20,000 under \$25,000	135 539	1 022 344	162 467	683 360	40 191	236 841	*2 370	*22 514	66 176	452 783	136 930	691 401
\$25,000 under \$30,000	151 326	1 086 571	136 731	661 015	24 041	39 043	—	—	72 722	732 012	124 444	781 988
\$30,000 under \$40,000	309 085	2 151 559	233 697	1 191 813	41 922	132 054	*6 552	*33 154	141 577	1 462 255	145 146	1 008 941
\$40,000 under \$50,000	283 560	3 156 914	327 122	1 433 066	63 000	192 498	*5 608	*17 732	85 878	1 190 802	317 609	*2 019 577
\$50,000 under \$75,000	443 803	5 996 272	452 600	2 443 442	75 057	380 471	8 911	48 227	20 850	2 082 956	—	—
\$75,000 under \$100,000	266 720	5 525 488	284 423	1 914 424	30 998	194 132	4 488	9 551	25 519	677 914	—	—
\$100,000 under \$200,000	375 782	15 518 794	364 741	4 179 537	43 442	623 800	11 893	66 826	23 616	674 695	39 293	775 548
\$200,000 under \$500,000	190 422	18 582 909	177 175	4 569 946	23 773	649 213	7 462	69 255	8 408	696 137	18 460	676 544
\$500,000 under \$1,000,000	50 008	11 375 603	40 814	2 512 705	6 876	341 245	1 332	33 428	*3 269	*393 889	4 903	277 166
\$1,000,000 or more	31 330	32 711 833	21 954	4 149 880	1 350	1 186 165	1 350	41 565	—	—	3 184	394 477
Nontaxable returns, total	229,674	1,833,024	407,154	17,010,793	66,047	255,235	8,347	88,965	268,670	1,953,736	331,045	4,293,630

Footnote(s) at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Unemployment compensation in AGI			Social Security benefits			Foreign earned income exclusion			Other income			
	Number of returns	Amount	in AGI	Total		Benefits in AGI		Number of returns	Amount	Net income		Net loss	
				Number of returns	Amount	Number of returns	Amount			Number of returns	Amount	Number of returns	Amount
All returns, total	6,974,262	11,626,600	10,131,920	10,131,920	84,453,369	4,024,093	14,361,470	176,376	7,072,107	6,092,117	21,632,636	458,651	36,454,512
No adjusted gross income	15,903	35,543	113,662	113,662	841,159	2,567	10,143	30,928	1,291,040	34,445	174,306	199,608	31,572,545
\$1 under \$1,000	*15,679	*17,391	115,433	660,315	884,647	*2,126	*286	26,194	653,183	127,872	108,743	*884	*19,255
\$1,000 under \$2,000	33,558	26,575	140,804	860,347	660,315	*2,858	*1,529	*1,202	*81,890	90,710	77,421	*2,049	*29,417
\$2,000 under \$3,000	80,671	80,671	164,430	1,176,604	1,176,604	—	—	*3,446	64,942	112,254	*6,366	*48,115	
\$3,000 under \$4,000	75,689	79,572	187,270	1,442,690	1,442,690	—	—	—	148,886	92,119	148,886	*7,187	*112,248
\$4,000 under \$5,000	128,330	157,996	268,966	1,975,753	1,975,753	—	—	*6,660	*70,478	72,551	100,746	*6,182	*114,799
\$5,000 under \$6,000	145,669	203,929	286,154	1,965,826	1,965,826	—	—	*3,447	*162,100	115,241	277,653	13,301	82,395
\$6,000 under \$7,000	214,246	298,168	343,600	2,612,933	2,612,933	*2,131	*6,105	*10,345	*435,322	108,086	198,924	*5,537	*73,828
\$7,000 under \$8,000	202,090	311,679	363,644	2,692,830	2,692,830	*5,716	*7,614	*9,884	*315,300	82,798	165,668	*7,723	*57,654
\$8,000 under \$9,000	250,661	390,286	453,132	3,632,133	3,632,133	*2,425	*6,793	*6,430	*165,901	122,877	253,590	*4,137	*172,832
\$9,000 under \$10,000	219,960	395,204	385,036	3,007,921	3,007,921	—	—	*7,140	*382,199	97,976	224,617	*2,990	*77,804
\$10,000 under \$11,000	206,331	355,472	344,133	2,724,909	2,724,909	*8,665	*19,358	—	—	92,332	151,157	*3,616	*47,761
\$11,000 under \$12,000	228,834	432,359	356,610	2,726,702	2,726,702	*5,715	*12,102	*2,858	*15,205	114,112	247,861	13,126	83,994
\$12,000 under \$13,000	185,317	333,014	310,479	2,501,643	2,501,643	—	—	*6,430	*48,901	61,778	149,143	*4,859	*113,517
\$13,000 under \$14,000	239,164	437,723	297,417	2,613,862	2,613,862	*8,573	*31,422	*4,611	*60,722	112,530	195,685	*6,815	*41,483
\$14,000 under \$15,000	199,579	300,473	289,538	2,387,511	2,387,511	*8,573	*7,178	*3,685	*175,088	95,385	180,669	*5,537	*74,013
\$15,000 under \$16,000	223,306	405,057	247,373	2,082,041	2,082,041	*8,573	*31,122	*3,685	*268,925	98,327	200,856	*7,450	*75,725
\$16,000 under \$17,000	189,769	281,463	217,708	1,780,680	1,780,680	*5,715	*2,612	*3,685	*173,822	84,120	130,217	*4,170	*26,969
\$17,000 under \$18,000	348,523	388,523	212,703	2,011,232	2,011,232	*4,489	*36,493	*3,215	*27,942	83,892	103,426	*6,741	*101,278
\$18,000 under \$19,000	199,419	321,016	205,892	1,780,300	1,780,300	*8,536	*27,907	—	—	125,097	361,956	*2,047	*27,950
\$19,000 under \$20,000	192,208	293,288	189,194	1,690,050	1,690,050	*20,004	*54,287	—	—	95,907	66,467	*5,571	*92,420
\$20,000 under \$25,000	718,583	1,283,735	769,452	6,139,323	222,008	222,008	222,008	*6,510	*213,803	440,977	647,803	19,225	320,731
\$25,000 under \$30,000	611,814	1,020,291	635,214	5,347,532	483,188	483,188	483,188	*6,660	*121,436	419,789	814,822	13,217	146,251
\$30,000 under \$40,000	1,014,858	1,778,860	1,099,306	9,325,650	1,067,482	1,067,482	1,067,482	7,600	405,634	1,725,706	25,330	149,088	
\$40,000 under \$50,000	623,390	1,026,514	771,681	6,818,086	771,681	771,681	771,681	2,995	240,759	669,562	1,422,011	20,833	302,679
\$50,000 under \$75,000	452,962	811,641	742,751	6,893,045	742,751	742,751	742,751	3,435,016	458,190	2,095,012	30,089	428,066	
\$75,000 under \$100,000	79,370	131,889	264,053	2,699,530	264,053	264,053	264,053	5,298	368,703	312,111	10,201	170,735	
\$100,000 under \$200,000	26,975	58,618	242,934	2,611,341	242,934	242,934	242,934	8,302	630,890	283,569	2,424,351	12,324	416,081
\$200,000 under \$500,000	3,058	1,862	84,770	1,052,790	84,770	84,770	84,770	2,614	196,625	11,625	2,529,461	7,063	405,191
\$500,000 under \$1,000,000	571	1,509	18,078	229,409	18,078	18,078	18,078	677	61,171	29,003	1,404,996	2,674	343,012
\$1,000,000 or more	175	522	144,924	10,483	144,924	10,483	144,924	253	3,820,609	18,311	3,820,609	1,800	727,277
Taxable returns, total	5,606,645	9,477,094	8,088,780	8,088,780	68,398,690	3,990,098	14,269,399	75,501	3,552,450	5,375,314	19,814,127	182,456	7,819,050
No adjusted gross income	*19	*19	80	80	*101,047	*7	*76	—	—	329	14,147	3,079	4,429,692
\$1 under \$1,000	*2,858	*11,572	*22,862	*22,862	*101,047	*2	*76	—	—	94,301	74,463	*11,3	*8,548
\$1,000 under \$2,000	*5,715	*4,555	*17,146	*17,146	*90,869	—	—	—	—	*22,861	*17,697	—	—
\$2,000 under \$3,000	*8,573	*8,564	*55,537	*55,537	*55,537	—	—	—	—	31,151	37,304	—	—
\$3,000 under \$4,000	*5,715	*6,652	*14,288	*14,288	*106,446	—	—	—	—	28,576	35,666	—	—
\$4,000 under \$5,000	*5,715	*4,415	*33,602	*33,602	*33,602	—	—	—	—	*17,146	*18,637	—	—
\$5,000 under \$6,000	68,582	103,562	102,879	647,257	647,257	—	—	—	—	76,587	169,375	*7,847	*38,520
\$6,000 under \$7,000	82,870	97,618	183,545	1,170,673	1,170,673	—	—	—	—	49,690	71,024	—	—
\$7,000 under \$8,000	78,547	161,428	193,960	1,307,289	1,307,289	*1,266	*6,099	*3,215	*20,390	35,683	57,805	*2,125	*14,510
\$8,000 under \$9,000	122,144	183,698	223,814	1,463,953	1,463,953	*2,126	*5,743	—	—	56,419	101,364	*3	*5,267
\$9,000 under \$10,000	120,678	223,462	213,643	1,458,040	1,458,040	—	—	*3,455	*193,022	48,843	72,182	—	—
\$10,000 under \$11,000	98,550	159,791	304,403	2,420,997	2,420,997	*8,573	*18,903	—	—	58,955	58,709	*2,231	*8,927
\$11,000 under \$12,000	136,733	240,565	326,233	2,512,090	2,512,090	*2,858	*8,921	*2,858	*15,205	92,477	168,661	*2,789	*25,636
\$12,000 under \$13,000	126,110	229,170	282,916	2,291,831	2,291,831	—	—	*6,430	*48,901	43,522	119,611	*3,153	*37,053
\$13,000 under \$14,000	147,787	221,080	280,271	2,432,819	2,432,819	*8,573	*31,422	*3,215	*23,105	93,211	155,339	*2,576	*31,963
\$14,000 under \$15,000	156,067	208,171	270,268	2,162,850	2,162,850	*8,573	*7,178	*3,685	*175,088	86,812	151,810	*5,222	*35,458
\$15,000 under \$16,000	198,320	349,825	235,279	1,998,337	1,998,337	*8,573	*31,122	*3,685	*268,925	78,478	158,054	*7,430	*69,688
\$16,000 under \$17,000	170,499	265,360	207,755	1,712,789	1,712,789	*5,715	*2,612	*3,685	*173,822	73,213	81,662	*2,126	*43
\$17,000 under \$18,000	171,869	327,081	201,555	1,913,439	1,913,439	*4,489	*36,493	*3,215	*27,942	82,511	103,375	*3,526	*16,493
\$18,000 under \$19,000	189,455	299,890	197,318	1,729,252	1,729,252	*8,535	*27,903	—	—	120,114	344,487	*2,047	*27,950
\$19,000 under \$20,000	192,208	293,288	185,127	1,669,765	1,669,765	*20,004	*54,287	—	—	91,652	64,598	*4,905	*72,268
\$20,000 under \$25,000	705,124	1,253,907	758,217	6,059,182	216,488	216,488	216,488	*6,510	*213,803	428,716	585,378	14,427	203,674
\$25,000 under \$30,000	611,814	1,020,291	632,064	5,325,040	480,823	480,823	480,823	*6,660	*121,436	419,789	746,871	11,864	59,314
\$30,000 under \$40,000	1,014,194	1,776,976	1,094,574	9,297,022	1,092,751	1,092,751	1,092,751	7,370	386,666	909,285	1,680,834	23,557	92,222
\$40,000 under \$50,000	623,390	1,026,514	766,652	6,761,912	766,652	766,652	766,652	2,304	184,012	668,800	1,384,206	19,895	257,521
\$50,000 under \$75,000	452,962	811,641	740,797	6,862,847	740,797	740,797	740,797	5,311	428,686	919,988	2,073,772	29,789	412,679
\$75,000 under \$100,000	79,370	131,889	264,050	2,699,490	264,050	264,050	264,050	5,298	368,703	311,905	1,116,991	10,157	165,796
\$100,000 under \$200,000	26,975	58,618	242,315	2,607,523	242,315	242,315	242						

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Statutory adjustments									
	Total		Employee business expense		Total deductible IRA payments		Payments to a Keogh plan		Foreclosed interest penalty	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
All returns, total	10,747,370	28,201,888	1,394,080	4,246,522	6,361,421	11,881,754	814,586	6,626,908	181,278	587,022
No adjusted gross income	64,733	190,615	4,404	63,823	13,926	29,258	974	2,310	1,851	5,958
\$1 under \$1,000	19,671	8,914	—	—	4,274	—	—	—	8,346	—
\$1,000 under \$2,000	37,371	38,099	1,381	16,639	10,697	12,726	—	—	8,573	—
\$2,000 under \$3,000	39,867	42,011	4,249	1,963	20,220	32,634	—	—	9,237	—
\$3,000 under \$4,000	44,146	80,120	5,715	29,236	25,976	45,762	—	—	8,573	—
\$4,000 under \$5,000	69,627	69,721	5,715	17,766	26,297	34,463	2,125	642	13,555	2,858
\$5,000 under \$6,000	62,350	82,435	8,573	7,767	24,256	42,604	—	—	5,715	—
\$6,000 under \$7,000	124,036	139,016	2,858	366	64,448	101,485	3,506	6,394	7,767	18,426
\$7,000 under \$8,000	104,687	147,543	4,982	18,034	47,841	84,152	3,505	4,001	13,287	18,387
\$8,000 under \$9,000	146,343	189,357	13,581	26,646	60,994	97,217	4,249	1,573	13,555	18,346
\$9,000 under \$10,000	151,978	209,901	9,771	41,019	73,942	105,143	1,381	11,826	10,697	37,013
\$10,000 under \$11,000	159,783	218,758	8,573	16,554	140,259	105,143	—	—	7,553	5,715
\$11,000 under \$12,000	151,113	218,333	16,327	33,918	163,074	163,074	—	—	27,858	35,690
\$12,000 under \$13,000	174,161	291,148	2,858	14,625	105,044	197,565	6,824	11,521	12,822	3,966
\$13,000 under \$14,000	151,220	188,168	9,231	19,513	74,068	115,731	6,374	10,943	14,946	45,010
\$14,000 under \$15,000	151,038	250,024	14,815	35,472	79,225	141,262	2,125	9,879	20,003	24,899
\$15,000 under \$16,000	157,039	215,491	5,715	19,177	113,353	162,987	8,915	8,560	16,130	47,065
\$16,000 under \$17,000	182,144	227,898	13,780	59,557	122,302	197,994	7,521	11,430	5,715	11,303
\$17,000 under \$18,000	186,604	264,882	25,644	58,900	101,697	179,661	2,858	1,444	4,289	44,881
\$18,000 under \$19,000	201,020	373,917	15,593	58,295	128,414	234,795	3,521	1,478	17,793	23,238
\$19,000 under \$20,000	224,853	387,168	15,824	60,504	138,612	222,445	13,177	26,726	6,320	55,280
\$20,000 under \$25,000	1,128,074	2,143,337	114,189	354,545	809,011	1,404,541	—	—	7,840	15,331
\$25,000 under \$30,000	1,113,557	2,177,899	121,756	370,982	796,739	1,406,160	32,213	117,972	58,419	39,973
\$30,000 under \$40,000	1,923,296	3,897,606	211,260	592,548	1,386,775	2,609,135	72,328	91,872	17,514	33,083
\$40,000 under \$50,000	1,424,461	2,878,620	208,992	465,699	960,626	1,460,076	66,993	217,099	12,139	85,753
\$50,000 under \$75,000	1,267,233	3,921,927	296,083	886,979	529,227	1,331,761	177,447	901,732	91,823	323,447
\$75,000 under \$100,000	523,147	2,497,490	122,231	433,920	198,002	557,165	119,473	975,568	15,839	625,478
\$100,000 under \$200,000	525,112	3,860,411	99,233	399,403	186,403	540,151	170,761	213,869	4,788	52,027
\$200,000 under \$500,000	183,656	2,253,227	21,770	97,786	58,461	176,066	69,863	1,399,901	26,940	652,289
\$500,000 under \$1,000,000	35,919	557,516	3,582	29,548	11,256	33,594	12,153	294,447	8,852	527,289
\$1,000,000 or more	19,133	360,259	1,407	15,251	5,816	16,520	5,977	156,438	1,290	188,082
Taxable returns, total	9,958,592	26,937,490	1,333,104	3,961,205	6,084,195	11,403,854	794,071	6,562,153	156,382	558,726
No adjusted gross income	1,401	8,864	54	152	328	800	43	441	35	210
\$1 under \$1,000	2,863	246	—	—	5	—	—	—	226	—
\$1,000 under \$2,000	14,288	7,636	—	—	5,715	6,310	—	—	8,573	—
\$2,000 under \$3,000	2,858	17	—	—	—	—	—	—	17	—
\$3,000 under \$4,000	5,715	10,802	—	—	5,715	10,802	—	—	2,858	—
\$4,000 under \$5,000	8,573	5,967	2,858	4,278	2,858	1,429	—	—	260	—
\$5,000 under \$6,000	23,974	32,443	5,715	5,887	13,558	25,684	—	—	—	—
\$6,000 under \$7,000	81,056	88,783	2,858	366	43,898	69,042	1,382	4,643	14,289	5,214
\$7,000 under \$8,000	54,060	61,515	2,858	2,315	20,662	29,240	2,125	2,526	8,573	18,946
\$8,000 under \$9,000	87,174	125,426	5,715	8,613	42,092	62,077	4,249	4,750	1,857	37,013
\$9,000 under \$10,000	88,981	104,257	2,858	8,117	51,813	74,001	—	—	2,143	18,003
\$10,000 under \$11,000	111,544	166,399	2,858	9,999	59,791	109,704	—	—	25,001	33,502
\$11,000 under \$12,000	108,956	166,148	14,203	30,321	81,705	130,588	—	—	3,180	11,121
\$12,000 under \$13,000	138,913	243,960	2,858	14,625	92,317	171,578	4,700	9,361	10,697	3,180
\$13,000 under \$14,000	125,195	152,645	6,374	15,798	68,353	103,586	4,249	6,694	9,964	33,893
\$14,000 under \$15,000	118,546	232,463	11,958	30,585	74,668	134,648	2,125	9,879	14,277	14,277
\$15,000 under \$16,000	145,684	193,570	2,858	503	113,353	162,987	8,915	8,560	3,063	47,065
\$16,000 under \$17,000	171,236	289,523	11,356	28,671	119,514	193,098	8,915	8,560	5,715	11,303
\$17,000 under \$18,000	173,658	279,555	25,644	58,990	98,839	176,804	3,505	4,289	11,430	44,881
\$18,000 under \$19,000	195,864	356,013	19,270	57,342	127,033	234,740	2,858	1,995	13,555	23,238
\$19,000 under \$20,000	213,870	365,478	15,824	60,504	136,568	214,957	8,938	20,968	15,760	40,944
\$20,000 under \$25,000	1,101,841	2,063,374	111,160	340,686	803,133	1,388,613	23,678	69,406	7,840	11,625
\$25,000 under \$30,000	1,102,286	2,154,837	121,756	370,982	791,897	1,391,827	32,212	117,972	58,419	37,927
\$30,000 under \$40,000	1,905,855	3,854,960	211,260	592,548	1,381,896	2,599,112	69,983	220,997	17,514	33,083
\$40,000 under \$50,000	1,422,502	2,554,501	208,522	464,430	960,626	1,460,076	66,992	211,249	11,233	85,517
\$50,000 under \$75,000	1,266,445	3,907,658	296,083	886,979	528,833	1,330,973	91,732	901,732	19,099	306,448
\$75,000 under \$100,000	522,452	2,494,772	122,231	433,920	197,695	556,172	119,380	974,582	15,833	612,003
\$100,000 under \$200,000	524,241	3,848,721	99,233	399,396	186,633	538,000	170,761	213,869	4,788	466,021
\$200,000 under \$500,000	183,555	2,956,434	21,770	99,226	58,434	175,998	69,848	1,399,335	26,920	641,377
\$500,000 under \$1,000,000	35,891	556,502	3,582	29,548	11,250	33,581	12,153	294,447	8,852	526,024
\$1,000,000 or more	19,116	359,849	1,407	15,251	5,816	16,510	5,977	156,438	1,290	187,156
Non-taxable returns, total	788,778	1,264,398	60,976	285,317	277,225	477,900	20,515	64,755	24,896	238,768
Non-taxable returns, total	11,536,148	30,466,286	1,454,080	4,531,841	6,638,646	12,361,754	834,596	6,691,658	206,174	825,790

Footnote(s) at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Statutory adjustments—Continued				Basic standard deduction			Additional standard deduction			Total itemized deductions			Exemptions		
	Self-employed health insurance		Other adjustments		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount
	Number of returns (99)	Amount (100)	Number of returns (101)	Amount (102)												
All returns, total	1,885,153	884,304	57,483	121,874	76,471,827	280,341,390	10,292,748	9,222,833	31,902,985	395,216,456	221,884,006	430,771,177	221,884,006	430,771,177	221,884,006	430,771,177
No adjusted gross income	704	132	5	14	—	—	—	—	—	—	—	—	—	—	—	—
\$1 under \$1,000	—	—	—	—	904,845	531,751	5,716	4,288	1,12	—	13,073	25,025	13,073	25,025	13,073	25,025
\$1,000 under \$2,000	—	—	—	—	1,084,347	1,073,791	—	—	—	—	—	—	—	—	—	—
\$2,000 under \$3,000	—	—	—	—	884,236	1,703,708	2,858	2,143	—	—	—	—	—	—	—	—
\$3,000 under \$4,000	—	—	—	—	1,322,448	3,663,047	2,858	2,143	11,432	15,587	13,567	178,764	13,567	178,764	13,567	178,764
\$4,000 under \$5,000	—	—	—	—	931,071	2,643,938	2,858	2,143	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	4,703	873	—	—	1,955,082	5,741,429	102,879	76,301	13,063	48,292	1,313,386	2,550,526	1,313,386	2,550,526	1,313,386	2,550,526
\$6,000 under \$7,000	18,633	3,448	—	—	1,966,271	5,790,643	329,677	246,939	36,417	106,362	1,624,795	3,153,211	1,624,795	3,153,211	1,624,795	3,153,211
\$7,000 under \$8,000	14,128	4,362	2,858	3,326	1,836,688	5,439,996	296,833	232,055	67,041	273,992	1,212,906	3,325,218	1,212,906	3,325,218	1,212,906	3,325,218
\$8,000 under \$9,000	13,648	4,134	2,858	6,981	1,865,659	5,617,859	329,827	256,952	57,533	258,107	1,883,864	3,645,889	1,883,864	3,645,889	1,883,864	3,645,889
\$9,000 under \$10,000	28,971	9,280	—	—	1,824,552	5,747,356	331,538	253,630	74,001	373,134	2,018,307	3,911,051	2,018,307	3,911,051	2,018,307	3,911,051
\$10,000 under \$11,000	23,826	10,012	—	—	1,925,013	6,489,057	435,027	382,781	82,708	411,567	2,392,724	4,635,719	2,392,724	4,635,719	2,392,724	4,635,719
\$11,000 under \$12,000	11,260	3,071	—	—	1,803,461	6,213,242	506,101	460,981	98,617	492,807	2,393,212	4,640,814	2,393,212	4,640,814	2,393,212	4,640,814
\$12,000 under \$13,000	28,059	11,966	—	—	1,922,397	6,751,270	430,780	383,928	144,223	846,930	2,747,159	5,306,375	2,747,159	5,306,375	2,747,159	5,306,375
\$13,000 under \$14,000	24,750	8,462	2,858	1,995	2,005,298	7,177,649	435,898	391,118	178,504	1,044,500	3,094,987	5,992,057	3,094,987	5,992,057	3,094,987	5,992,057
\$14,000 under \$15,000	21,882	7,224	—	—	1,935,537	7,000,907	315,841	292,165	240,685	1,358,090	3,235,825	6,263,078	3,235,825	6,263,078	3,235,825	6,263,078
\$15,000 under \$16,000	25,201	9,006	—	—	2,083,900	7,751,138	357,308	326,508	250,770	1,573,572	3,892,629	7,523,877	3,892,629	7,523,877	3,892,629	7,523,877
\$16,000 under \$17,000	27,964	9,212	2,125	3,327	1,912,220	7,367,061	319,791	290,687	269,727	1,588,357	3,930,724	7,622,926	2,697,727	3,930,724	2,697,727	7,622,926
\$17,000 under \$18,000	37,205	16,011	—	—	2,020,610	7,879,582	315,132	293,378	312,391	1,991,395	4,490,610	8,713,502	312,391	4,490,610	312,391	8,713,502
\$18,000 under \$19,000	23,731	9,286	4,982	5,303	1,845,926	7,328,701	310,773	289,074	310,773	2,650,574	4,281,320	8,326,075	310,773	4,281,320	310,773	8,326,075
\$19,000 under \$20,000	41,081	11,903	2,858	6,595	1,743,551	6,828,552	267,587	247,972	342,070	2,265,463	4,116,826	7,984,488	342,070	4,116,826	342,070	7,984,488
\$20,000 under \$25,000	164,380	74,997	7,096	33,839	7,081,919	28,759,921	865,045	807,748	2,020,609	14,170,501	19,367,858	37,620,174	2,020,609	14,170,501	19,367,858	37,620,174
\$25,000 under \$30,000	144,747	66,419	6,111	13,483	5,018,000	21,339,450	518,179	456,175	2,414,978	18,297,549	17,736,606	34,413,029	2,414,978	18,297,549	17,736,606	34,413,029
\$30,000 under \$40,000	844,239	332,429	4,729	7,785	5,922,895	26,561,467	636,229	588,678	5,947,470	50,862,193	31,467,215	61,168,323	5,947,470	50,862,193	31,467,215	61,168,323
\$40,000 under \$50,000	—	—	3,277	3,277	2,731,518	12,872,442	403,231	383,928	5,509,880	54,003,013	23,818,445	46,322,654	5,509,880	54,003,013	23,818,445	46,322,654
\$50,000 under \$75,000	—	—	5,241	18,337	1,532,590	7,345,210	294,455	282,452	7,367,772	89,699,462	26,710,313	52,021,946	7,367,772	89,699,462	26,710,313	52,021,946
\$75,000 under \$100,000	—	—	1,623	2,235	240,238	1,128,179	83,553	85,017	2,278,225	38,957,294	7,464,498	14,538,966	2,278,225	38,957,294	7,464,498	14,538,966
\$100,000 under \$200,000	—	—	2,205	18,741	94,799	434,435	40,119	39,206	1,681,008	41,925,826	5,301,588	10,315,226	1,681,008	41,925,826	5,301,588	10,315,226
\$200,000 under \$500,000	45,018	46,956	8,808	6,928	16,775	75,806	7,455	7,397	23,850	23,850,432	31,683,782	61,589,310	23,850,432	23,850,432	31,683,782	61,589,310
\$500,000 under \$1,000,000	9,308	8,479	148	1,811	2,348	10,339	1,087	1,091	112,433	9,765,330	336,788	655,995	112,433	9,765,330	336,788	655,995
\$1,000,000 or more	4,649	154	821	1,365	311	3,402	311	285	61,231	18,636,268	173,296	337,596	61,231	18,636,268	173,296	337,596
Taxable returns, total	1,558,083	741,815	47,771	92,168	56,414,729	207,271,169	7,969,955	7,107,750	30,370,549	373,923,491	177,285,900	344,414,520	177,285,900	373,923,491	177,285,900	344,414,520
No adjusted gross income	704	132	5	14	—	—	—	—	—	—	—	—	—	—	—	—
\$1 under \$1,000	—	—	—	—	904,845	531,751	5,716	4,288	1,12	—	13,073	25,025	13,073	25,025	13,073	25,025
\$1,000 under \$2,000	—	—	—	—	1,084,347	1,073,791	—	—	—	—	—	—	—	—	—	—
\$2,000 under \$3,000	—	—	—	—	884,236	1,703,708	2,858	2,143	—	—	—	—	—	—	—	—
\$3,000 under \$4,000	—	—	—	—	1,322,448	3,663,047	2,858	2,143	11,432	15,587	13,567	178,764	13,567	178,764	13,567	178,764
\$4,000 under \$5,000	—	—	—	—	931,071	2,643,938	2,858	2,143	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	4,703	873	—	—	1,955,082	5,741,429	102,879	76,301	13,063	48,292	1,313,386	2,550,526	1,313,386	2,550,526	1,313,386	2,550,526
\$6,000 under \$7,000	18,633	3,448	—	—	1,966,271	5,790,643	329,677	246,939	36,417	106,362	1,624,795	3,153,211	1,624,795	3,153,211	1,624,795	3,153,211
\$7,000 under \$8,000	14,128	4,362	2,858	3,326	1,836,688	5,439,996	296,833	232,055	67,041	273,992	1,212,906	3,325,218	1,212,906	3,325,218	1,212,906	3,325,218
\$8,000 under \$9,000	13,648	4,134	2,858	6,981	1,865,659	5,617,859	329,827	256,952	57,533	258,107	1,883,864	3,645,889	1,883,864	3,645,889	1,883,864	3,645,889
\$9,000 under \$10,000	28,971	9,280	—	—	1,824,552	5,747,356	331,538	253,630	74,001	373,134	2,018,307	3,911,051	2,018,307	3,911,051	2,018,307	3,911,051
\$10,000 under \$11,000	23,826	10,012	—	—	1,925,013	6,489,057	435,027	382,781	82,708	411,567	2,392,724	4,635,719	2,392,724	4,635,719	2,392,724	4,635,719
\$11,000 under \$12,000	11,260	3,071	—	—	1,803,461	6,213,242	506,101	460,981	98,617	492,807	2,393,212	4,640,814	2,393,212	4,640,814	2,393,212	4,640,814
\$12,000 under \$13,000	28,059	11,966	—	—	1,922,397	6,751,270	430,780	383,928	144,223	846,930	2,747,159	5,306,375	2,747,159	5,306,375	2,747,159	5,306,375
\$13,000 under \$14,000	24,750	8,462	2,858	1,995	2,005,298	7,177,649	435,898	391,118	178,504	1,044,500	3,094,987	5,992,057	3,094,987	5,992,057	3,094,987	5,992,057
\$14,000 under \$15,000	21,882	7,224	—	—	1,935,537	7,000,907	315,841	292,165	240,685	1,358,090	3,235,825	6,263,078	3,235,825	6,263,078	3,235,825	6,263,078
\$15,000 under \$16,000	25,201	9,006	—	—	2,083,900	7,751,138	357,308	326,508	250,770	1,573,572	3,892,629	7,523,877	3,892,629	7,523,877	3,892,629	7,523,877
\$16,000 under \$17,000	27,964	9,212	2,125	3,327	1,912,220	7,367,061	319,791	290,687	269,727	1,588,357	3,930,724</					

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Taxable income			Income tax before credits			Total			Child care credit			Credit for the elderly and disabled			Earned income credit used to offset income tax before credits		
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(111)	(112)	(113)	(114)	(115)	(116)	(117)	(118)	(119)	(120)	(121)	(122)						
All returns, total	90,281,729	2,069,966,980	90,218,979	418,889,165	14,099,023	7,047,140	9,023,458	3,812,849	356,973	68,904	4,782,148	1,102,392						
No adjusted gross income	—	—	20	1,714	17	999	—	—	—	—	—	—						
\$1 under \$1,000	908,395	171,676	908,395	30,737	3,551	—	—	—	—	—	—	—						
\$1,000 under \$2,000	1,100,026	521,009	1,084,347	89,217	—	—	—	—	—	—	—	—						
\$2,000 under \$3,000	902,773	523,268	884,236	83,827	3,551	—	—	—	—	—	—	—						
\$3,000 under \$4,000	1,350,291	1,003,911	1,341,718	157,216	—	—	—	—	—	—	—	—						
\$4,000 under \$5,000	958,181	1,465,756	952,465	238,887	2,858	—	—	—	—	—	—	—						
\$5,000 under \$6,000	2,014,188	2,538,631	2,007,814	377,909	31,177	1,601	—	—	—	—	—	—						
\$6,000 under \$7,000	2,077,362	3,871,192	2,072,380	573,071	68,261	5,221	—	—	—	—	—	—						
\$7,000 under \$8,000	1,947,337	5,160,613	1,955,166	802,363	66,823	12,725	—	—	—	—	—	—						
\$8,000 under \$9,000	2,125,884	6,948,561	2,123,477	1,038,843	209,110	25,246	—	—	—	—	—	—						
\$9,000 under \$10,000	2,226,295	8,384,854	2,220,580	1,237,474	340,620	30,490	—	—	—	—	—	—						
\$10,000 under \$11,000	2,395,628	10,014,776	2,393,504	1,497,949	428,224	116,419	—	—	—	—	—	—						
\$11,000 under \$12,000	2,412,908	11,166,801	2,410,051	1,665,804	537,954	148,116	—	—	—	—	—	—						
\$12,000 under \$13,000	2,515,948	13,788,050	2,515,948	2,053,131	565,606	223,535	—	—	—	—	—	—						
\$13,000 under \$14,000	2,621,728	16,191,091	2,621,728	2,426,212	670,650	297,274	—	—	—	—	—	—						
\$14,000 under \$15,000	2,479,865	17,629,360	2,479,865	2,856,983	661,337	277,314	—	—	—	—	—	—						
\$15,000 under \$16,000	2,524,212	19,880,825	2,524,212	2,974,001	707,591	287,551	—	—	—	—	—	—						
\$16,000 under \$17,000	2,272,637	19,726,008	2,272,637	2,953,040	645,868	209,684	—	—	—	—	—	—						
\$17,000 under \$18,000	2,141,339	22,368,519	2,141,339	3,406,074	741,200	186,479	—	—	—	—	—	—						
\$18,000 under \$19,000	2,153,194	21,824,217	2,153,193	3,270,520	463,654	183,374	—	—	—	—	—	—						
\$19,000 under \$20,000	2,118,102	23,777,890	2,118,102	3,568,597	210,637	107,093	—	—	—	—	—	—						
\$20,000 under \$25,000	9,191,617	123,752,465	9,191,617	18,784,182	1,055,909	517,737	—	—	—	—	—	—						
\$25,000 under \$30,000	7,485,237	130,581,872	7,487,802	20,800,807	992,579	450,806	—	—	—	—	—	—						
\$30,000 under \$40,000	11,920,216	274,610,363	11,920,216	44,969,102	1,843,807	858,593	—	—	—	—	—	—						
\$40,000 under \$50,000	8,253,967	255,121,323	8,253,967	43,378,372	1,406,791	635,195	—	—	—	—	—	—						
\$50,000 under \$75,000	8,897,248	383,088,855	8,897,248	75,066,459	1,581,207	763,206	—	—	—	—	—	—						
\$75,000 under \$100,000	2,518,150	159,574,120	2,518,150	35,951,398	422,410	320,489	—	—	—	—	—	—						
\$100,000 under \$200,000	1,775,165	183,252,229	1,775,165	48,068,237	289,856	420,277	—	—	—	—	—	—						
\$200,000 under \$500,000	547,352	134,674,810	547,351	38,763,273	100,901	16,291	—	—	—	—	—	—						
\$500,000 under \$1,000,000	114,577	67,559,945	114,577	19,265,396	27,949	4,087	—	—	—	—	—	—						
\$1,000,000 or more	61,910	150,793,390	61,910	42,718,170	18,943	463,350	—	—	—	—	—	—						
Taxable returns, total	87,088,935	2,061,956,733	87,120,997	417,702,725	11,001,040	5,860,700	7,855,108	3,360,772	227,272	42,239	2,684,462	638,925						
No adjusted gross income	—	—	—	—	—	—	—	—	—	—	—	—						
\$1 under \$1,000	896,271	171,576	896,271	—	—	—	—	—	—	—	—	—						
\$1,000 under \$2,000	1,084,347	517,517	1,084,347	89,217	—	—	—	—	—	—	—	—						
\$2,000 under \$3,000	881,379	496,747	884,236	83,827	—	—	—	—	—	—	—	—						
\$3,000 under \$4,000	1,338,860	986,471	1,341,718	157,216	—	—	—	—	—	—	—	—						
\$4,000 under \$5,000	946,750	1,456,532	949,608	238,795	—	—	—	—	—	—	—	—						
\$5,000 under \$6,000	1,979,495	2,509,815	1,979,495	376,374	—	—	—	—	—	—	—	—						
\$6,000 under \$7,000	2,019,101	3,832,068	2,019,101	568,728	—	—	—	—	—	—	—	—						
\$7,000 under \$8,000	1,905,206	5,080,138	1,915,160	794,390	26,817	4,752	—	—	—	—	—	—						
\$8,000 under \$9,000	1,938,165	6,737,596	1,938,165	1,016,115	26,373	2,518	—	—	—	—	—	—						
\$9,000 under \$10,000	1,911,374	7,872,207	1,911,374	1,171,985	31,394	5,000	—	—	—	—	—	—						
\$10,000 under \$11,000	2,023,012	9,330,936	2,023,012	1,397,111	57,732	15,581	—	—	—	—	—	—						
\$11,000 under \$12,000	1,916,069	10,254,744	1,916,069	1,532,722	43,973	15,033	—	—	—	—	—	—						
\$12,000 under \$13,000	2,079,875	12,742,259	2,079,875	1,896,180	129,533	68,583	—	—	—	—	—	—						
\$13,000 under \$14,000	2,195,156	18,019,043	2,195,156	2,251,069	244,079	122,132	—	—	—	—	—	—						
\$14,000 under \$15,000	2,189,554	16,816,013	2,189,554	2,555,272	371,027	155,602	—	—	—	—	—	—						
\$15,000 under \$16,000	2,362,431	19,454,549	2,362,431	2,910,316	545,810	203,865	—	—	—	—	—	—						
\$16,000 under \$17,000	2,193,734	19,414,654	2,193,734	2,906,298	566,965	162,942	—	—	—	—	—	—						
\$17,000 under \$18,000	2,342,945	22,156,085	2,342,945	3,374,177	672,806	154,583	—	—	—	—	—	—						
\$18,000 under \$19,000	2,131,774	21,712,972	2,131,773	3,253,846	442,234	89,268	—	—	—	—	—	—						
\$19,000 under \$20,000	2,098,348	23,635,046	2,098,348	3,547,182	190,884	85,678	—	—	—	—	—	—						
\$20,000 under \$25,000	9,140,158	123,509,540	9,140,158	18,748,038	1,004,450	481,593	—	—	—	—	—	—						
\$25,000 under \$30,000	7,459,032	130,308,553	7,461,397	20,759,835	966,374	409,834	—	—	—	—	—	—						
\$30,000 under \$40,000	11,895,037	274,212,100	11,895,037	44,904,945	1,818,628	794,435	—	—	—	—	—	—						
\$40,000 under \$50,000	8,248,966	254,556,048	8,248,966	43,350,966	1,401,791	607,788	—	—	—	—	—	—						
\$50,000 under \$75,000	8,895,457	383,057,897	8,895,457	75,061,811	1,579,415	758,358	—	—	—	—	—	—						
\$75,000 under \$100,000	2,518,146	159,573,901	2,518,146	35,951,349	422,406	320,441	—	—	—	—	—	—						
\$100,000 under \$200,000	1,774,567	183,184,673	1,774,567	48,049,897	289,278	401,937	—	—	—	—	—	—						
\$200,000 under \$500,000	547,249	134,655,949	547,251	38,777,547	100,801	16,291	—	—	—	—	—	—						
\$500,000 under \$1,000,000	114,562	67,552,225	114,564	19,262,808	27,936	4,087	—	—	—	—	—	—						
\$1,000,000 or more	61,896	150,744,777	61,896	42,702,478	18,929	447,658	—	—	—	—	—	—						
Nontaxable returns, total	3,192,794	8,010,247	3,097,982	1,186,441	3,097,982	1,186,441	1,168,349	452,077	129,701	26,665	2,097,685	463,467						

Footnote(s) at end of table

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples. Money amounts are in thousands of dollars.)

Size of adjusted gross income	Tax credits—Continued										Income tax after credits				Alternative minimum tax				Total income tax	
	Foreign tax credit				General business credits				Minimum tax credit		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount												
(123)	(124)	(125)	(126)	(127)	(128)	(129)	(130)	(131)	(132)	(133)	(134)									
All returns, total	559,217	1,087,203	364,169	718,209	26,393	203,264	87,120,969	411,842,025	113,562	1,027,884	87,135,332	412,869,909								
No adjusted gross income	6	3	13	975	†	†	14	715	5,940	108,122	5,952	108,837								
\$1 under \$1,000	3,551	11	—	—	—	—	904,844	30,726	11	314	904,855	31,040								
\$1,000 under \$2,000	—	—	—	—	—	—	1,084,347	89,217	44	884,236	1,084,349	89,331								
\$2,000 under \$3,000	3,551	50	—	—	—	—	884,236	83,777	—	—	884,236	83,777								
\$3,000 under \$4,000	—	—	—	—	—	—	1,341,718	157,216	—	—	1,341,720	157,267								
\$4,000 under \$5,000	—	—	—	—	—	—	949,608	238,795	—	—	949,608	238,795								
\$5,000 under \$6,000	—	—	—	—	—	—	1,979,495	376,308	18	1,979,501	376,454	376,454								
\$6,000 under \$7,000	3,551	4	—	—	—	—	2,019,101	567,850	—	—	2,019,102	567,852								
\$7,000 under \$8,000	7,103	—	—	—	—	—	1,915,160	789,638	—	—	1,915,160	789,638								
\$8,000 under \$9,000	3,551	1,389	—	—	—	—	1,940,741	1,013,597	—	—	1,940,746	1,013,683								
\$9,000 under \$10,000	7,103	—	—	—	—	—	1,911,374	1,166,984	—	—	1,911,374	1,166,984								
\$10,000 under \$11,000	—	—	—	—	—	—	2,023,012	1,381,529	106	2,023,118	1,381,952	1,381,952								
\$11,000 under \$12,000	—	—	—	—	—	—	1,916,069	1,517,688	960	1,916,366	1,519,100	1,519,100								
\$12,000 under \$13,000	3,215	170	—	—	—	—	2,079,875	1,829,596	301	2,080,175	1,832,371	1,832,371								
\$13,000 under \$14,000	7,333	4,714	—	—	—	—	2,195,156	2,128,938	—	—	2,195,157	2,128,951								
\$14,000 under \$15,000	10,884	6,423	—	—	—	—	2,189,554	2,379,670	86	2,189,640	2,382,438	2,382,438								
\$15,000 under \$16,000	—	493	—	—	—	—	2,362,431	2,706,451	83	2,362,514	2,710,372	2,710,372								
\$16,000 under \$17,000	7,103	—	—	—	—	—	2,193,734	2,743,356	301	2,194,035	2,743,404	2,743,404								
\$17,000 under \$18,000	14,205	2,962	—	—	—	—	2,342,945	3,219,594	21	2,342,965	3,219,645	3,219,645								
\$18,000 under \$19,000	7,103	—	—	—	—	—	2,131,773	3,164,578	86	2,131,858	3,165,841	3,165,841								
\$19,000 under \$20,000	—	2,443	—	—	—	—	2,098,348	3,461,504	759	2,098,442	3,465,798	3,465,798								
\$20,000 under \$25,000	7,563	2,208	—	—	—	—	9,140,158	18,266,445	1,357	9,141,213	18,278,344	18,278,344								
\$25,000 under \$30,000	25,388	7,740	—	—	—	—	20,350,002	44,110,509	3,063	20,361,642	44,138,991	44,138,991								
\$30,000 under \$40,000	74,034	51,940	—	—	—	—	11,895,037	44,110,509	7,956	11,895,769	44,138,991	44,138,991								
\$40,000 under \$50,000	37,635	4,267	—	—	—	—	8,248,966	42,743,177	5,572	8,249,552	42,768,361	42,768,361								
\$50,000 under \$75,000	85,989	47,413	—	—	—	—	8,895,457	74,303,253	14,883	8,897,085	74,340,917	74,340,917								
\$75,000 under \$100,000	68,373	105,290	—	—	—	—	2,518,146	35,630,908	14,883	2,518,463	35,685,329	35,685,329								
\$100,000 under \$200,000	86,448	209,146	—	—	—	—	1,774,587	47,647,960	33,887	1,776,104	47,837,393	47,837,393								
\$200,000 under \$500,000	46,361	177,020	—	—	—	—	547,229	38,446,620	17,541	548,780	38,699,740	38,699,740								
\$500,000 under \$1,000,000	15,021	127,561	—	—	—	—	114,564	1,013,597	4,329	114,682	1,016,981	1,016,981								
\$1,000,000 or more	10,664	245,324	—	—	—	—	61,896	42,254,821	2,182	62,078	42,422,678	42,422,678								
Nontaxable returns, total	23,250	98,028	125,458	141,766	34	1,199	—	—	—	—	—	—								

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

Size of adjusted gross income	Self-employment tax			Penalty tax on Individual Retirement Arrangements			Earned income credit used to offset all other taxes			Total tax liability			Total			Taxpayments			Income tax withheld														
	Number of returns	Amount	(136)	Number of returns	Amount	(137)	Number of returns	Amount	(138)	Number of returns	Amount	(139)	Number of returns	Amount	(140)	Number of returns	Amount	(141)		Number of returns	Amount	(142)	Number of returns	Amount	(143)	Number of returns	Amount	(144)	Number of returns	Amount	(145)	Amount	(146)
All returns, total	11,195,247	17,264,586	1,951,890	853,919	1,168,925	536,562	89,001,467	430,733,154	100,691,733	444,343,680	93,542,541	342,220,135																					
No adjusted gross income	136,330	164,641	8,279	10,051	37,533	16,232	122,050	277,451	401,811	1,091,998	248,452	498,611																					
\$1 under \$1,000	59,560	36,305	—	—	11,286	3,735	953,342	63,610	1,867,823	1,586,362	1,789,362	1,137,335																					
\$1,000 under \$2,000	174,502	36,818	2,858	857	21,165	5,942	1,230,577	121,065	2,878,998	3,586,339	2,809,291	326,631																					
\$2,000 under \$3,000	200,235	55,981	4,982	1,666	42,989	12,004	1,021,793	127,926	2,926,094	4,622,416	2,856,453	557,174																					
\$3,000 under \$4,000	249,569	93,050	7,107	832	46,449	13,589	1,510,364	237,560	2,688,682	4,162,654	2,856,078	725,467																					
\$4,000 under \$5,000	202,594	92,003	10,697	4,025	44,001	19,734	1,082,262	315,120	2,519,059	4,162,654	2,856,078	725,467																					
\$5,000 under \$6,000	331,589	188,716	2,125	610	87,817	50,965	2,060,338	515,268	4,230,903	1,147,959	2,277,478	1,011,839																					
\$6,000 under \$7,000	255,260	152,882	12,170	4,838	92,538	56,796	2,100,524	669,624	3,547,447	1,355,273	2,403,187	1,253,480																					
\$7,000 under \$8,000	252,719	169,474	7,840	4,609	84,124	54,079	2,100,524	669,624	3,547,447	1,355,273	2,403,187	1,253,480																					
\$8,000 under \$9,000	257,165	214,681	13,555	2,524	97,612	64,636	2,003,583	933,917	2,657,463	1,664,042	2,451,566	1,461,532																					
\$9,000 under \$10,000	260,682	219,825	5,715	797	96,223	59,408	2,007,704	1,329,604	2,623,277	1,919,611	2,307,581	1,682,201																					
\$10,000 under \$11,000	268,380	216,342	16,433	2,075	93,608	46,565	2,110,380	1,554,399	2,643,818	2,848,504	2,336,159	2,175,043																					
\$11,000 under \$12,000	238,091	207,341	20,662	7,036	92,516	42,673	1,986,810	1,692,729	2,463,217	2,620,213	2,158,170	2,261,588																					
\$12,000 under \$13,000	241,603	240,471	20,003	2,395	91,924	31,924	2,149,880	2,044,056	2,548,311	3,029,214	2,284,572	2,624,305																					
\$13,000 under \$14,000	262,291	269,849	17,166	2,506	91,464	29,079	2,293,935	2,372,802	2,670,638	3,489,499	2,391,476	3,021,595																					
\$14,000 under \$15,000	206,616	241,879	28,222	2,446	58,439	15,897	2,243,738	2,612,157	2,508,377	3,769,079	2,261,322	3,290,503																					
\$15,000 under \$16,000	201,704	221,003	46,440	11,669	35,389	6,746	2,401,339	2,935,802	2,483,044	4,028,855	2,293,954	3,547,996																					
\$16,000 under \$17,000	218,045	246,331	27,399	4,035	33,957	4,963	2,325,465	2,989,034	2,304,672	3,912,735	2,108,889	3,503,461																					
\$17,000 under \$18,000	247,125	277,363	36,137	11,939	33,957	1,446	2,368,434	3,509,005	2,390,020	4,498,800	2,183,766	3,986,109																					
\$18,000 under \$19,000	205,478	245,981	26,084	3,302	21,523	1,168	2,152,293	3,417,219	2,122,647	4,088,481	1,921,923	3,616,480																					
\$19,000 under \$20,000	227,570	300,308	39,428	6,251	21,139	77,754	2,113,900	3,772,560	2,074,677	4,557,489	1,902,160	4,004,130																					
\$20,000 under \$25,000	972,043	1,287,255	135,175	43,816	91,880	135,175	9,180,537	19,611,254	7,087,495	23,866,188	8,460,085	21,335,826																					
\$25,000 under \$30,000	870,693	1,280,302	164,019	45,486	7,485,865	164,019	7,485,865	21,693,915	9,454,129	25,306,054	8,460,085	21,335,826																					
\$30,000 under \$40,000	1,413,281	2,187,162	323,581	85,401	11,917,748	323,581	11,917,748	46,418,272	18,871,232	53,341,715	11,229,089	47,989,685																					
\$40,000 under \$50,000	1,046,192	1,908,738	299,306	103,898	8,252,253	299,306	8,252,253	44,786,345	8,203,441	22,411,375	7,788,733	43,961,439																					
\$50,000 under \$75,000	1,181,891	2,961,854	472,273	218,381	8,899,268	472,273	8,899,268	77,537,317	8,840,294	36,841,511	8,313,635	67,783,719																					
\$75,000 under \$100,000	434,151	1,477,448	119,265	87,638	2,518,907	119,265	2,518,907	37,255,570	2,503,416	35,884,511	2,262,769	27,776,539																					
\$100,000 under \$200,000	410,955	1,582,849	67,925	86,741	1,776,917	67,925	1,776,917	49,529,473	1,759,271	44,424,831	1,504,200	28,937,992																					
\$200,000 under \$500,000	130,729	530,360	13,301	49,277	548,042	13,301	548,042	39,301,656	543,970	34,262,803	443,224	20,059,801																					
\$500,000 under \$1,000,000	25,393	92,935	2,278	14,166	114,727	2,278	114,727	19,289,482	114,087	16,587,595	93,193	8,384,318																					
\$1,000,000 or more	12,810	44,436	1,465	36,653	61,997	1,465	61,997	42,649,414	61,716	34,296,175	50,304	10,724,353																					
Taxable returns, total	8,848,785	15,408,141	1,860,307	817,932	87,135,332	429,362,362	82,991,739	435,166,300	76,868,225	334,829,941																							
No adjusted gross income	2,023	7,842	101	409	5,952	120,378	4,809	120,378	253,599	140,243	3,502	35,050																					
\$1 under \$1,000	2,257	232	—	—	904,855	21,700	253,599	120,378	253,599	140,243	3,502	35,050																					
\$1,000 under \$2,000	12,091	2,328	—	—	1,084,349	585,077	1,084,349	91,656	585,077	65,496	550,786	54,348																					
\$2,000 under \$3,000	26,263	6,166	—	—	884,236	89,943	884,236	89,943	884,236	132,454	662,924	112,631																					
\$3,000 under \$4,000	45,834	12,038	—	—	1,341,720	169,305	1,341,720	169,305	1,341,720	340,289	1,152,365	312,921																					
\$4,000 under \$5,000	38,033	15,589	2,125	30	949,608	254,445	949,608	254,445	949,608	830,754	357,522	341,193																					
\$5,000 under \$6,000	172,815	98,976	—	—	1,979,501	475,430	1,979,501	475,430	1,979,501	1,725,42																							

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Tax payments—Continued				Earned income credit, refundable portion		Total			Overpayment		
	Estimated tax payments		All other tax payments ¹		Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount								
	(147)	(148)	(149)	(150)	(151)	(152)	(153)	(154)	(155)	(156)	(157)	(158)
All returns, total	12,443,029	80,328,108	3,140,160	21,791,400	7,878,788	4,257,493	79,143,548	78,637,972	76,414,800	68,990,260	4,016,487	9,847,712
No adjusted gross income	87,526	437,542	117,559	155,807	50,197	15,635	369,456	945,338	332,146	766,548	54,011	178,790
\$1 under \$1,000	67,493	35,176	18,033	7,656	199,808	16,034	1,880,410	145,093	1,857,040	131,592	31,874	13,501
\$1,000 under \$2,000	40,571	21,985	3,289	9,723	368,171	73,716	2,842,717	407,425	2,831,287	404,214	*22,861	*3,212
\$2,000 under \$3,000	61,724	54,833	10,410	9,723	587,024	119,056	2,845,385	703,220	2,819,649	685,029	28,894	18,191
\$3,000 under \$4,000	112,144	79,615	26,142	11,572	412,059	183,051	2,573,322	876,981	2,544,088	858,969	54,134	18,012
\$4,000 under \$5,000	73,217	58,183	31,475	26,834	449,142	254,772	2,409,524	1,006,699	2,384,613	994,390	34,143	12,309
\$5,000 under \$6,000	173,186	129,530	17,615	6,590	522,173	342,787	2,279,631	1,133,855	2,258,213	1,110,330	47,731	23,525
\$6,000 under \$7,000	140,667	90,183	34,767	11,610	626,630	471,152	2,345,522	1,313,011	2,315,640	1,297,379	39,118	15,632
\$7,000 under \$8,000	248,123	188,500	33,421	14,010	663,100	541,533	2,366,355	1,486,974	2,310,829	1,453,002	78,737	33,972
\$8,000 under \$9,000	292,565	226,795	29,849	10,615	642,049	493,049	2,332,347	1,403,765	2,260,756	1,360,155	99,435	43,610
\$9,000 under \$10,000	277,143	231,171	45,009	12,352	658,750	493,875	2,255,409	1,581,156	2,209,384	1,560,383	72,258	30,773
\$10,000 under \$11,000	279,318	252,939	37,789	20,523	637,323	433,899	2,209,376	1,594,545	2,148,617	1,552,958	103,673	41,587
\$11,000 under \$12,000	351,508	336,448	58,163	22,177	632,085	347,863	2,038,040	1,538,020	1,957,137	1,470,485	106,547	67,535
\$12,000 under \$13,000	328,258	381,300	39,877	23,608	533,215	223,660	2,084,539	1,502,854	2,026,065	1,458,963	88,270	43,891
\$13,000 under \$14,000	367,357	459,267	*20,573	*8,636	470,586	153,546	2,225,433	1,556,924	2,144,912	1,475,601	128,951	81,322
\$14,000 under \$15,000	342,027	458,287	31,229	20,289	342,060	90,560	2,076,500	1,529,110	1,978,913	1,482,882	122,799	46,228
\$15,000 under \$16,000	308,523	465,840	24,811	15,019	166,324	35,096	2,042,780	1,466,283	1,979,305	1,377,158	98,617	89,125
\$16,000 under \$17,000	309,677	398,265	24,236	11,008	117,820	21,488	1,816,562	1,253,681	1,758,912	1,208,723	85,351	44,958
\$17,000 under \$18,000	296,416	481,313	48,544	31,378	174,015	6,851	1,920,233	1,388,377	1,870,141	1,343,153	77,283	45,224
\$18,000 under \$19,000	277,854	448,721	36,194	23,281	*22,128	*859	1,608,865	1,097,582	1,560,331	1,055,024	75,213	42,558
\$19,000 under \$20,000	256,590	498,855	46,672	54,504	—	—	1,622,526	1,204,521	1,554,416	1,130,282	88,053	74,239
\$20,000 under \$25,000	1,143,896	2,440,731	138,225	89,631	—	—	7,084,861	6,113,672	6,858,747	5,833,584	317,331	280,088
\$25,000 under \$30,000	903,778	2,349,740	151,571	168,436	—	—	5,557,161	5,450,857	5,381,368	5,204,440	274,034	246,417
\$30,000 under \$40,000	1,412,135	5,044,123	225,495	307,907	—	—	9,001,267	10,514,433	8,727,511	9,911,557	438,909	602,876
\$40,000 under \$50,000	1,050,383	4,731,845	254,991	317,957	—	—	5,810,169	8,012,513	5,550,465	7,519,642	380,529	493,872
\$50,000 under \$75,000	1,442,964	10,072,517	785,120	785,120	—	—	5,156,675	9,272,783	4,851,315	8,323,531	436,362	949,252
\$75,000 under \$100,000	675,693	7,134,805	371,481	973,167	—	—	1,290,699	3,389,043	1,159,649	2,685,919	213,480	703,124
\$100,000 under \$200,000	728,085	13,218,764	359,340	2,266,285	—	—	973,785	3,977,785	605,474	2,667,565	249,147	1,310,220
\$200,000 under \$500,000	281,955	1,682,415	153,272	3,440,582	—	—	232,689	2,832,532	141,852	1,497,488	115,939	1,335,033
\$500,000 under \$1,000,000	69,159	5,851,943	42,197	2,351,203	—	—	51,159	1,410,207	25,705	577,856	31,238	832,351
\$1,000,000 or more	43,095	12,686,476	29,886	10,863,509	—	—	28,588	2,727,733	10,316	601,449	21,862	2,126,284
Taxable returns, total	11,508,003	78,788,840	2,884,794	21,543,521	7,878,788	4,257,493	61,088,723	66,036,192	58,588,391	56,652,081	3,650,619	9,384,111
No adjusted gross income	2,886	53,476	2,884	51,716	—	—	3,103	52,817	1,116	32,123	2,481	20,694
\$1 under \$1,000	31,440	10,867	*5,715	*223	—	—	199,300	18,064	187,970	16,852	*17,147	*1,212
\$1,000 under \$2,000	*22,863	*9,245	*11,430	*1,903	—	—	483,632	48,337	485,059	45,521	*20,003	*2,769
\$2,000 under \$3,000	31,434	14,565	*11,430	*5,258	—	—	548,659	100,327	548,659	93,821	*14,288	*6,507
\$3,000 under \$4,000	34,293	22,319	*11,430	*5,049	—	—	1,025,804	237,608	1,011,516	231,427	*25,718	*6,181
\$4,000 under \$5,000	*14,288	*8,784	*10,697	*7,544	—	—	682,966	167,101	674,394	164,806	*11,430	*2,295
\$5,000 under \$6,000	100,450	60,028	*7,565	*5,257	—	—	1,478,849	533,011	1,466,027	526,008	29,235	7,003
\$6,000 under \$7,000	105,514	67,639	*9,954	*3,327	—	—	1,459,021	538,978	1,433,388	528,939	30,615	10,039
\$7,000 under \$8,000	186,461	135,189	*7,915	*5,265	—	—	1,377,421	515,731	1,336,757	494,356	57,810	21,375
\$8,000 under \$9,000	198,060	150,508	*7,275	*6,466	—	—	1,463,617	551,417	1,426,092	534,683	57,529	16,734
\$9,000 under \$10,000	212,737	200,925	20,925	6,843	—	—	1,373,486	541,924	1,339,270	528,769	48,504	13,154
\$10,000 under \$11,000	242,226	218,780	*17,240	*10,743	—	—	1,484,083	666,869	1,426,287	627,129	95,729	39,740
\$11,000 under \$12,000	316,276	307,115	30,529	17,107	—	—	1,336,432	620,680	1,264,124	571,130	93,703	49,550
\$12,000 under \$13,000	284,668	317,213	26,757	16,561	—	—	1,488,807	728,510	1,440,303	692,969	71,938	35,540
\$13,000 under \$14,000	330,452	386,923	*12,257	*6,700	—	—	1,687,075	882,514	1,614,394	815,244	107,631	67,270
\$14,000 under \$15,000	311,200	398,765	21,359	16,154	—	—	1,683,137	1,030,131	1,590,436	991,994	111,239	38,137
\$15,000 under \$16,000	290,198	431,833	*18,436	*13,785	—	—	1,843,158	1,221,756	1,786,057	1,146,404	86,667	75,352
\$16,000 under \$17,000	293,254	378,212	20,695	8,514	—	—	1,677,105	1,084,323	1,619,454	1,049,196	81,100	35,127
\$17,000 under \$18,000	285,468	459,500	39,967	25,301	—	—	1,818,212	1,254,411	1,770,244	1,210,922	73,034	43,488
\$18,000 under \$19,000	263,719	425,874	33,716	22,084	—	—	1,566,543	1,031,165	1,518,011	988,948	74,547	42,217
\$19,000 under \$20,000	250,740	476,190	39,364	52,192	—	—	1,588,189	1,136,841	1,524,248	1,072,851	82,503	63,990
\$20,000 under \$25,000	1,124,922	2,317,868	127,983	86,480	—	—	6,988,769	5,858,149	6,766,404	5,630,561	310,873	227,589
\$25,000 under \$30,000	895,446	2,326,271	140,358	162,540	—	—	5,519,485	5,346,559	5,346,793	5,114,514	268,567	237,145
\$30,000 under \$40,000	1,399,758	4,974,643	304,076	304,076	—	—	8,954,349	10,382,244	8,682,810	9,792,801	433,703	589,443
\$40,000 under \$50,000	1,049,002	4,720,449	254,966	371,362	—	—	5,799,948	7,977,320	5,540,844	7,490,335	379,928	486,985
\$50,000 under \$75,000	1,440,289	10,059,477	618,633	781,788	—	—	5,151,033	9,239,641	4,847,653	8,292,016	434,067	947,625
\$75,000 under \$100,000	674,997	7,127,132	973,029	973,029	—	—	2,789,393	3,374,420	1,158,752	2,672,909	212,986	701,511
\$100,000 under \$200,000	727,105	13,199,251	359,187	2,264,066	—	—	783,842	3,949,697	604,000	2,641,226	248,812	1,308,471
\$200,000 under \$500,000	281,721	11,054,087	153,162	3,138,674	—	—	232,294	2,818,850	141,542	1,486,863	115,790	1,331,987
\$500,000 under \$1,000,000	69,101	5,846,854	42,177	2,350,726	—	—	51,062	1,403,255	25,633	571,742	31,200	831,512
\$1,000,000 or more	43,057	12,679,555	29,868	10,862,589	—	—	28,516	2,727,733	10,316	594,971	21,838	2,126,284
Nontaxable returns, total	935,026	1,539,268	455,366	247,879	7,878,788	4,257,493	18,054,825	12,801,780	17,826,409	12,338,179	365,868	463,601

¹ Footnotes at end of table.

Table 1.4—All Returns: Sources of Income, Adjustments, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Tax due at time of filing		Predetermined estimated tax penalty		Form 1040		Form 1040A		Form 1040EZ	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Adjusted gross income less deficit	Number of returns	Adjusted gross income	Number of returns	Adjusted gross income
	(159)	(160)	(161)	(162)	(163)	(164)	(165)	(166)	(167)	(168)
All returns, total	27,185,438	61,507,880	3,326,495	536,842	71,359,242	2,614,128,466	19,066,165	292,744,551	19,282,873	176,146,766
No adjusted gross income	73,008	118,186	18,850	3,030	835,420	-41,136,289	585,808	373,160	1,460,234	844,741
\$1 under \$1,000	736,235	36,286	*5,720	*185	1,080,807	641,421	768,694	1,154,785	1,851,725	2,763,222
\$1,000 under \$2,000	708,558	96,700	*2,860	*264	1,246,643	1,865,529	714,400	1,771,929	1,691,699	4,209,459
\$2,000 under \$3,000	442,055	89,761	*1,473	*87	1,183,271	2,940,076	668,678	2,348,307	1,477,379	5,148,064
\$3,000 under \$4,000	453,754	115,158	*7,109	*321	1,201,734	4,206,210	682,966	2,348,307	1,477,379	5,148,064
\$4,000 under \$5,000	345,580	104,190	38,391	1,324	1,198,509	5,414,850	634,387	3,508,533	1,071,600	5,887,876
\$5,000 under \$6,000	558,905	159,643	37,546	1,266	1,377,066	7,615,307	630,147	3,508,533	1,071,600	5,887,876
\$6,000 under \$7,000	623,761	157,822	36,659	1,612	1,474,292	9,605,820	860,138	5,217,605	860,138	5,562,301
\$7,000 under \$8,000	616,589	216,221	24,104	905	1,490,712	11,162,288	788,698	5,885,913	637,277	6,437,250
\$8,000 under \$9,000	558,974	221,042	25,276	1,391	1,505,785	12,798,947	708,686	6,037,645	7,110,463	7,422,067
\$9,000 under \$10,000	595,673	237,014	46,158	1,193	1,440,319	13,668,675	771,552	7,319,328	780,125	7,422,067
\$10,000 under \$11,000	590,724	269,878	75,389	3,337	1,429,135	15,013,517	742,976	7,798,639	685,824	7,181,895
\$11,000 under \$12,000	631,261	264,658	43,283	1,985	1,421,178	16,345,918	671,536	7,707,224	611,526	7,040,701
\$12,000 under \$13,000	621,798	298,778	55,843	4,741	1,393,895	17,426,068	694,397	8,675,045	637,245	7,957,870
\$13,000 under \$14,000	564,305	290,762	94,283	4,082	1,399,014	18,861,971	754,406	10,184,395	648,675	8,734,852
\$14,000 under \$15,000	529,299	285,082	49,046	3,454	1,397,466	20,239,262	671,536	9,725,359	557,232	8,058,992
\$15,000 under \$16,000	534,142	341,141	58,117	3,007	1,383,828	21,463,557	705,827	10,936,924	508,653	7,872,494
\$16,000 under \$17,000	540,710	311,634	51,990	3,151	1,404,228	23,187,451	560,090	9,254,580	402,922	6,660,434
\$17,000 under \$18,000	531,127	396,545	68,753	4,814	1,430,914	25,050,477	582,950	10,202,406	442,928	7,760,136
\$18,000 under \$19,000	568,035	432,039	63,264	5,492	1,304,600	24,117,800	591,523	10,932,306	300,048	5,550,356
\$19,000 under \$20,000	519,191	427,558	74,186	7,966	1,275,866	24,890,208	531,514	10,362,512	334,339	6,516,728
\$20,000 under \$25,000	2,159,498	1,884,705	280,583	25,967	6,144,176	138,030,396	1,980,116	44,048,228	1,154,470	25,758,701
\$25,000 under \$30,000	1,944,397	1,860,502	251,558	2,784	5,618,997	154,378,737	1,371,445	37,496,843	527,297	14,326,004
\$30,000 under \$40,000	2,933,467	3,633,913	359,600	42,923	1,099,731	355,668,356	1,442,382	49,146,684	314,486	10,495,601
\$40,000 under \$50,000	2,442,660	3,839,793	379,965	49,309	7,737,217	345,998,997	498,922	21,865,339	28,375	1,251,339
\$50,000 under \$75,000	3,741,432	8,251,918	554,690	83,276	8,760,359	524,931,410	142,529	7,722,962	*1,198	*61,147
\$75,000 under \$100,000	1,224,483	4,807,398	233,765	47,296	2,520,476	214,204,828	—	—	—	—
\$100,000 under \$200,000	986,746	9,183,585	268,726	101,158	1,778,258	236,074,161	—	—	—	—
\$200,000 under \$500,000	313,032	7,934,480	92,878	63,096	548,472	161,914,657	—	—	—	—
\$500,000 under \$1,000,000	62,959	4,135,926	17,231	23,832	114,808	77,893,798	—	—	—	—
\$1,000,000 or more	33,078	11,105,565	8,820	24,593	62,065	169,631,441	—	—	—	—
Taxable returns, total	25,884,594	60,760,085	3,169,871	526,745	61,136,843	2,582,571,704	12,079,332	242,595,057	13,919,157	164,748,331
No adjusted gross income	2,765	33,672	1,409	720	5,952	-3,558,231	—	—	—	—
\$1 under \$1,000	699,840	27,820	*5,720	*185	484,788	360,414	228,608	166,469	191,459	153,807
\$1,000 under \$2,000	576,429	74,764	*2,860	*264	504,256	746,919	197,174	283,705	382,918	560,687
\$2,000 under \$3,000	321,289	57,816	—	—	327,004	804,514	162,883	395,586	394,349	1,001,735
\$3,000 under \$4,000	315,916	66,795	*4,984	*170	392,997	1,373,925	125,734	440,310	822,989	2,855,731
\$4,000 under \$5,000	263,784	64,743	*21,395	*718	249,496	1,127,190	137,165	622,694	562,947	2,529,165
\$5,000 under \$6,000	487,794	134,389	28,966	856	719,299	3,992,185	188,602	1,044,336	1,071,600	5,887,876
\$6,000 under \$7,000	557,223	134,907	*24,213	*949	893,189	5,816,972	265,776	1,749,947	860,138	5,562,301
\$7,000 under \$8,000	529,165	181,540	*15,606	*623	817,841	6,120,560	237,181	1,758,027	860,138	6,437,250
\$8,000 under \$9,000	474,271	184,185	*21,320	*1,270	837,712	7,135,500	265,757	2,267,171	837,277	7,110,463
\$9,000 under \$10,000	532,173	206,715	38,455	1,067	831,202	7,895,828	300,048	2,835,585	780,125	7,422,067
\$10,000 under \$11,000	536,073	238,926	58,383	2,603	1,028,673	10,828,479	308,621	3,236,458	685,824	7,181,895
\$11,000 under \$12,000	577,076	275,974	39,113	1,667	1,059,086	12,186,233	245,754	2,834,242	611,526	7,040,701
\$12,000 under \$13,000	588,510	272,028	45,221	3,982	1,094,303	13,685,558	348,627	4,355,245	637,245	7,957,870
\$13,000 under \$14,000	508,082	239,016	83,210	3,603	1,120,700	15,136,752	425,782	5,753,049	648,675	8,734,852
\$14,000 under \$15,000	500,767	258,271	46,829	3,352	1,163,762	16,854,592	468,646	6,791,138	557,232	8,058,992
\$15,000 under \$16,000	513,640	318,890	55,992	2,982	1,239,477	19,225,978	614,384	9,522,706	508,653	7,872,494
\$16,000 under \$17,000	511,948	289,299	45,696	2,708	1,296,748	21,413,134	494,365	8,176,662	402,922	6,660,434
\$17,000 under \$18,000	524,753	395,396	67,372	4,768	1,362,808	23,861,162	537,229	9,408,308	442,928	7,760,136
\$18,000 under \$19,000	551,027	409,212	59,002	4,844	1,246,002	23,039,343	585,808	10,828,344	300,048	5,550,356
\$19,000 under \$20,000	510,253	414,942	72,061	7,697	1,246,878	24,328,032	517,226	10,084,850	334,339	6,516,728
\$20,000 under \$25,000	2,133,427	1,823,267	269,001	24,816	6,018,057	135,243,988	1,968,685	43,808,395	1,154,470	25,758,701
\$25,000 under \$30,000	1,928,747	1,832,100	249,175	21,580	5,563,009	152,844,589	1,371,445	37,496,843	527,297	14,326,004
\$30,000 under \$40,000	2,926,438	3,619,511	358,219	42,887	10,138,901	353,560,810	1,442,382	41,146,684	314,486	10,495,601
\$40,000 under \$50,000	2,441,953	3,839,420	379,922	49,306	7,722,256	345,321,019	498,922	28,375	28,375	1,251,339
\$50,000 under \$75,000	3,741,131	8,250,047	554,389	83,164	8,753,358	524,931,015	142,529	7,722,962	*1,198	*61,147
\$75,000 under \$100,000	1,224,461	4,807,364	233,745	47,294	2,518,463	214,024,329	—	—	—	—
\$100,000 under \$200,000	986,649	9,183,293	268,721	101,157	1,776,104	235,793,141	—	—	—	—
\$200,000 under \$500,000	312,987	7,934,345	92,847	63,088	547,869	161,736,529	—	—	—	—
\$500,000 under \$1,000,000	62,949	4,135,886	*26,044	**48,423	114,808	77,808,122	—	—	—	—
\$1,000,000 or more	33,071	11,105,552	**	**	61,972	169,633,126	—	—	—	—
Non-taxable returns, total	1,300,844	747,796	156,624	10,098	10,222,399	31,556,762	6,986,833	50,149,494	5,363,715	11,398,435

* Estimate should be used with caution because of the small number of sample returns on which it is based.

† Data combined to avoid disclosure of information for specific taxpayers.

‡ Data combined to avoid disclosure of information for specific taxpayers. † Data combined to avoid disclosure of information for specific taxpayers.

§ Less than \$500.

|| Consists of excess social security tax withheld. Payment with request for extension of filing time. Credit for tax on certain gasoline and fuel, and credit from regulated investment companies.

NOTE: Detail may not add to total because of rounding.

Individual Returns/1988

Table 1.5—Form 1040EZ Returns: Sources of Income and Tax Items, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest received		Standard deduction		Exemptions	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of exemptions	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns, total	19,282,873	176,146,766	19,225,721	175,603,348	6,516,042	543,418	19,242,866	52,869,375	13,705,330	26,686,380
Under \$1,000	1,460,234	844,741	1,403,082	812,004	397,206	32,737	1,454,518	1,976,851	451,501	875,169
\$1,000 under \$2,000	1,851,725	2,763,222	1,851,725	2,725,325	460,074	37,897	1,846,010	3,646,895	642,960	1,248,514
\$2,000 under \$3,000	1,691,699	4,209,459	1,691,699	4,171,050	505,795	38,409	1,688,842	4,512,948	665,821	1,295,579
\$3,000 under \$4,000	1,477,379	5,148,664	1,477,379	5,107,111	485,792	41,552	1,474,522	4,420,279	657,248	1,279,147
\$4,000 under \$5,000	1,237,341	5,533,474	1,237,341	5,507,947	365,773	25,527	1,231,626	3,692,248	714,400	1,387,708
\$5,000 under \$6,000	1,071,600	5,887,876	1,071,600	5,859,926	354,342	27,950	1,071,600	3,214,800	682,966	1,331,784
\$6,000 under \$7,000	860,138	5,562,301	860,138	5,541,515	257,184	20,786	857,280	2,571,840	657,248	1,279,147
\$7,000 under \$8,000	860,138	6,437,250	860,138	6,419,464	240,038	17,786	857,280	2,567,897	720,115	1,401,196
\$8,000 under \$9,000	837,277	7,110,463	837,277	7,096,741	240,038	13,722	837,277	2,510,516	768,694	1,498,811
\$9,000 under \$10,000	780,125	7,422,067	780,125	7,407,308	248,611	14,760	780,125	2,339,060	717,258	1,398,509
\$10,000 under \$11,000	685,824	7,181,895	685,824	7,163,417	214,320	18,477	682,966	2,048,899	645,818	1,256,744
\$11,000 under \$12,000	611,526	7,040,701	611,526	7,025,830	208,605	14,871	611,526	1,831,950	591,523	1,153,184
\$12,000 under \$13,000	637,245	7,957,870	637,245	7,944,148	191,459	13,722	637,245	1,907,791	622,957	1,214,337
\$13,000 under \$14,000	648,675	8,734,852	648,675	8,714,268	262,899	20,583	648,675	1,946,026	634,387	1,237,055
\$14,000 under \$15,000	557,232	8,058,992	557,232	8,039,015	214,320	19,977	557,232	1,669,067	542,944	1,058,455
\$15,000 under \$16,000	508,653	7,872,494	508,653	7,856,851	194,317	15,643	502,938	1,507,498	502,938	975,385
\$16,000 under \$17,000	402,922	6,660,434	402,922	6,638,285	185,744	22,149	400,064	1,198,878	391,491	760,665
\$17,000 under \$18,000	442,928	7,760,136	442,928	7,742,736	194,317	17,400	442,928	1,328,784	442,928	863,710
\$18,000 under \$19,000	300,048	5,550,356	300,048	5,539,186	111,446	11,170	300,048	900,144	297,190	579,521
\$19,000 under \$20,000	334,339	6,516,728	334,339	6,505,829	120,019	10,899	334,339	1,003,018	334,339	651,961
\$20,000 under \$25,000	1,154,470	25,758,701	1,154,470	25,704,738	560,090	53,963	1,154,470	3,462,097	1,151,613	2,245,502
\$25,000 under \$30,000	527,297	14,326,004	527,297	14,298,024	283,747	27,980	527,297	1,580,803	524,932	1,023,500
\$30,000 under \$40,000	314,486	10,495,601	314,486	10,474,906	196,258	20,695	314,486	942,372	314,486	613,130
\$40,000 or more	29,572	1,312,487	29,572	1,307,724	23,646	4,762	29,572	88,717	29,572	57,666
Taxable returns, total	13,919,157	164,748,331	13,919,157	164,256,833	5,870,224	491,498	13,893,439	40,387,169	10,616,265	20,676,133
Under \$1,000	191,459	153,807	191,459	139,299	191,459	14,508	191,459	140,843	—	—
\$1,000 under \$2,000	382,918	560,687	382,918	526,753	382,918	33,934	382,918	526,753	—	—
\$2,000 under \$3,000	394,349	1,001,735	394,349	972,233	391,491	29,502	394,349	971,930	—	—
\$3,000 under \$4,000	822,989	2,855,731	822,989	2,823,852	362,915	31,879	820,131	2,457,107	*2,858	*3,086
\$4,000 under \$5,000	562,947	2,529,165	562,947	2,514,785	240,038	14,379	557,232	1,670,382	40,006	72,783
\$5,000 under \$6,000	1,071,600	5,887,876	1,071,600	5,859,926	354,342	27,950	1,071,600	3,214,800	682,966	1,331,784
\$6,000 under \$7,000	860,138	5,562,301	860,138	5,541,515	257,184	20,786	857,280	2,571,840	657,248	1,279,147
\$7,000 under \$8,000	860,138	6,437,250	860,138	6,419,464	240,038	17,786	857,280	2,567,897	720,115	1,401,196
\$8,000 under \$9,000	837,277	7,110,463	837,277	7,096,741	240,038	13,722	837,277	2,510,516	768,694	1,498,811
\$9,000 under \$10,000	780,125	7,422,067	780,125	7,407,308	248,611	14,760	780,125	2,339,060	717,258	1,398,509
\$10,000 under \$11,000	685,824	7,181,895	685,824	7,163,417	214,320	18,477	682,966	2,048,899	645,818	1,256,744
\$11,000 under \$12,000	611,526	7,040,701	611,526	7,025,830	208,605	14,871	611,526	1,831,950	591,523	1,153,184
\$12,000 under \$13,000	637,245	7,957,870	637,245	7,944,148	191,459	13,722	637,245	1,907,791	622,957	1,214,337
\$13,000 under \$14,000	648,675	8,734,852	648,675	8,714,268	262,899	20,583	648,675	1,946,026	634,387	1,237,055
\$14,000 under \$15,000	557,232	8,058,992	557,232	8,039,015	214,320	19,977	557,232	1,669,067	542,944	1,058,455
\$15,000 under \$16,000	508,653	7,872,494	508,653	7,856,851	194,317	15,643	502,938	1,507,498	502,938	975,385
\$16,000 under \$17,000	402,922	6,660,434	402,922	6,638,285	185,744	22,149	400,064	1,198,878	391,491	760,665
\$17,000 under \$18,000	442,928	7,760,136	442,928	7,742,736	194,317	17,400	442,928	1,328,784	442,928	863,710
\$18,000 under \$19,000	300,048	5,550,356	300,048	5,539,186	111,446	11,170	300,048	900,144	297,190	579,521
\$19,000 under \$20,000	334,339	6,516,728	334,339	6,505,829	120,019	10,899	334,339	1,003,018	334,339	651,961
\$20,000 under \$25,000	1,154,470	25,758,701	1,154,470	25,704,738	560,090	53,963	1,154,470	3,462,097	1,151,613	2,245,502
\$25,000 under \$30,000	527,297	14,326,004	527,297	14,298,024	283,747	27,980	527,297	1,580,803	524,932	1,023,500
\$30,000 under \$40,000	314,486	10,495,601	314,486	10,474,906	196,258	20,695	314,486	942,372	314,486	613,130
\$40,000 or more	29,572	1,312,487	29,572	1,307,724	23,646	4,762	29,572	88,717	29,572	57,666
Non taxable returns, total	5,363,715	11,398,435	5,306,563	11,346,515	645,818	51,920	5,349,427	12,482,205	3,089,066	6,010,247

Footnote(s) at end of table

Table 1.5—Form 1040EZ Returns: Sources of Income and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Taxable income		Total income tax		Income tax withheld		Overpayment refunded		Tax due at time of filing	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns, total	13,933,445	103,690,327	13,919,157	16,421,190	18,728,498	21,969,217	17,417,283	5,807,720	1,548,889	259,693
Under \$1,000	191,459	12,965	191,459	1,995	1,291,635	57,532	1,274,490	56,309	60,010	772
\$1,000 under \$2,000	394,349	35,877	382,918	5,227	1,728,848	201,689	1,720,275	197,677	65,725	1,214
\$2,000 under \$3,000	397,206	33,160	394,349	4,561	1,605,971	329,856	1,603,114	326,049	40,006	754
\$3,000 under \$4,000	822,989	395,538	822,989	58,361	1,405,939	424,102	1,380,221	368,428	65,725	2,686
\$4,000 under \$5,000	562,947	786,000	562,947	115,533	1,208,765	476,716	1,137,325	369,442	88,586	8,258
\$5,000 under \$6,000	1,071,600	1,341,292	1,071,600	201,304	1,048,739	557,318	960,154	365,573	111,446	9,559
\$6,000 under \$7,000	860,138	1,711,314	860,138	255,407	845,850	520,320	785,840	280,882	74,298	15,968
\$7,000 under \$8,000	860,138	2,468,158	860,138	368,459	851,565	645,849	762,979	290,621	88,586	13,231
\$8,000 under \$9,000	837,277	3,101,136	837,277	465,046	822,989	744,542	765,837	293,958	68,582	14,462
\$9,000 under \$10,000	780,125	3,684,498	780,125	552,686	771,552	809,129	702,970	270,100	77,155	13,656
\$10,000 under \$11,000	685,824	3,876,252	685,824	580,261	682,966	811,984	628,672	245,919	54,294	14,197
\$11,000 under \$12,000	611,526	4,055,566	611,526	607,917	611,526	828,275	557,232	225,922	51,437	5,564
\$12,000 under \$13,000	637,245	4,835,742	637,245	724,930	637,245	933,226	582,950	217,738	54,294	9,442
\$13,000 under \$14,000	648,675	5,551,771	648,675	832,930	648,675	1,042,047	577,235	221,824	71,440	12,708
\$14,000 under \$15,000	557,232	5,331,470	557,232	799,419	557,232	990,347	482,934	200,055	71,440	9,127
\$15,000 under \$16,000	508,653	5,389,611	508,653	806,409	505,795	994,773	454,358	197,606	51,437	9,241
\$16,000 under \$17,000	402,922	4,700,892	402,922	704,098	402,922	844,529	357,200	151,587	45,722	11,156
\$17,000 under \$18,000	442,928	5,567,642	442,928	835,231	440,070	997,914	388,634	174,985	54,294	12,302
\$18,000 under \$19,000	300,048	4,070,691	300,048	610,703	300,048	725,085	262,899	119,716	28,576	5,335
\$19,000 under \$20,000	334,339	4,861,749	334,339	729,402	334,339	879,298	314,336	151,416	*20,003	*1,520
\$20,000 under \$25,000	1,154,470	20,051,102	1,154,470	3,070,626	1,154,470	3,674,654	1,040,166	630,198	114,304	26,170
\$25,000 under \$30,000	527,297	11,721,701	527,297	2,058,952	527,297	2,311,178	406,704	276,597	118,228	24,372
\$30,000 under \$40,000	314,486	8,940,099	314,486	1,773,652	314,486	1,905,545	253,008	161,272	61,479	29,380
\$40,000 or more	29,572	1,166,103	29,572	258,081	29,572	263,308	*17,750	*13,845	*11,823	*8,619
Taxable returns, total	13,919,157	103,685,029	13,919,157	16,421,190	13,641,970	21,037,956	12,330,755	4,876,460	1,548,889	259,693
Under \$1,000	191,459	12,965	191,459	1,995	148,595	7,373	131,450	6,150	60,010	772
\$1,000 under \$2,000	382,918	33,934	382,918	5,227	322,909	35,194	314,336	31,182	65,725	1,214
\$2,000 under \$3,000	394,349	29,805	394,349	4,561	354,342	68,551	351,485	64,745	40,006	754
\$3,000 under \$4,000	822,989	395,538	822,989	58,361	782,982	233,232	757,264	177,557	65,725	2,686
\$4,000 under \$5,000	562,947	786,000	562,947	115,533	545,802	214,286	474,362	107,011	88,586	8,258
\$5,000 under \$6,000	1,071,600	1,341,292	1,071,600	201,304	1,048,739	557,318	960,154	365,573	111,446	9,559
\$6,000 under \$7,000	860,138	1,711,314	860,138	255,407	845,850	520,320	785,840	280,882	74,298	15,968
\$7,000 under \$8,000	860,138	2,468,158	860,138	368,459	851,565	645,849	762,979	290,621	88,586	13,231
\$8,000 under \$9,000	837,277	3,101,136	837,277	465,046	822,989	744,542	765,837	293,958	68,582	14,462
\$9,000 under \$10,000	780,125	3,684,498	780,125	552,686	771,552	809,129	702,970	270,100	77,155	13,656
\$10,000 under \$11,000	685,824	3,876,252	685,824	580,261	682,966	811,984	628,672	245,919	54,294	14,197
\$11,000 under \$12,000	611,526	4,055,566	611,526	607,917	611,526	828,275	557,232	225,922	51,437	5,564
\$12,000 under \$13,000	637,245	4,835,742	637,245	724,930	637,245	933,226	582,950	217,738	54,294	9,442
\$13,000 under \$14,000	648,675	5,551,771	648,675	832,930	648,675	1,042,047	577,235	221,824	71,440	12,708
\$14,000 under \$15,000	557,232	5,331,470	557,232	799,419	557,232	990,347	482,934	200,055	71,440	9,127
\$15,000 under \$16,000	508,653	5,389,611	508,653	806,409	505,795	994,773	454,358	197,606	51,437	9,241
\$16,000 under \$17,000	402,922	4,700,892	402,922	704,098	402,922	844,529	357,200	151,587	45,722	11,156
\$17,000 under \$18,000	442,928	5,567,642	442,928	835,231	440,070	997,914	388,634	174,985	54,294	12,302
\$18,000 under \$19,000	300,048	4,070,691	300,048	610,703	300,048	725,085	262,899	119,716	28,576	5,335
\$19,000 under \$20,000	334,339	4,861,749	334,339	729,402	334,339	879,298	314,336	151,416	*20,003	*1,520
\$20,000 under \$25,000	1,154,470	20,051,102	1,154,470	3,070,626	1,154,470	3,674,654	1,040,166	630,198	114,304	26,170
\$25,000 under \$30,000	527,297	11,721,701	527,297	2,058,952	527,297	2,311,178	406,704	276,597	118,228	24,372
\$30,000 under \$40,000	314,486	8,940,099	314,486	1,773,652	314,486	1,905,545	253,008	161,272	61,479	29,380
\$40,000 or more	29,572	1,166,103	29,572	258,081	29,572	263,308	*17,750	*13,845	*11,823	*8,619
Nontaxable returns, total	*14,288	*5,298	—	—	5,086,528	931,260	5,086,528	931,260	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based

NOTE: Detail may not add to total because of rounding

Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest received		Tax-exempt interest		Dividends	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns, total	19,066,165	292,744,551	18,497,503	285,216,501	7,004,600	4,432,193	66,540	43,629	1,153,469	569,717
Under \$1,000	585,808	373,160	322,909	184,672	280,045	164,126	*5,715	*1,803	54,294	18,426
\$1,000 under \$2,000	768,694	1,154,785	671,536	945,791	277,187	175,068	*2,858	*246	60,010	18,243
\$2,000 under \$3,000	714,400	1,771,929	648,675	1,455,044	257,184	256,618	—	—	42,864	16,908
\$3,000 under \$4,000	668,678	2,348,307	634,387	2,074,578	194,317	188,327	—	—	37,149	45,456
\$4,000 under \$5,000	682,966	3,067,859	657,248	2,755,575	171,456	200,746	—	—	34,291	19,835
\$5,000 under \$6,000	634,387	3,508,533	625,814	3,260,342	148,595	134,630	—	—	*25,718	*16,277
\$6,000 under \$7,000	800,147	5,217,605	783,002	4,832,532	202,890	196,160	—	—	34,291	12,965
\$7,000 under \$8,000	788,698	5,885,913	774,410	5,514,917	131,450	164,418	—	—	*22,861	*12,219
\$8,000 under \$9,000	708,686	6,037,645	694,398	5,631,412	174,314	180,032	—	—	31,434	20,526
\$9,000 under \$10,000	771,552	7,319,328	757,264	6,904,976	220,035	205,030	*2,858	*100	*25,718	*40,524
\$10,000 under \$11,000	742,976	7,798,639	742,976	7,533,168	182,886	113,275	*2,858	*17,906	34,291	14,491
\$11,000 under \$12,000	671,536	7,707,224	668,678	7,391,340	171,456	103,719	*5,715	*2,012	*17,146	*37,917
\$12,000 under \$13,000	694,397	8,675,045	694,397	8,444,920	182,886	77,721	—	—	*22,861	*8,384
\$13,000 under \$14,000	754,406	10,184,395	751,549	9,923,870	208,605	93,626	*2,858	*2,778	40,006	14,820
\$14,000 under \$15,000	671,536	9,725,399	668,678	9,461,036	231,466	118,813	—	—	37,149	39,212
\$15,000 under \$16,000	705,827	10,936,924	705,827	10,698,912	205,747	73,815	*5,715	*6,875	*25,718	*8,173
\$16,000 under \$17,000	560,090	9,254,580	560,090	9,059,961	191,459	120,171	—	—	37,149	15,460
\$17,000 under \$18,000	582,950	10,202,406	580,093	9,960,813	205,747	162,023	*2,858	*4,418	*25,718	*18,051
\$18,000 under \$19,000	591,523	10,932,306	591,523	10,746,133	214,320	90,997	*5,715	*380	*25,718	*5,715
\$19,000 under \$20,000	531,514	10,362,512	531,514	10,187,641	220,035	108,957	—	—	42,864	21,944
\$20,000 under \$25,000	1,980,116	44,048,228	1,977,258	43,408,899	897,578	451,600	*5,715	*137	141,401	49,288
\$25,000 under \$30,000	1,371,445	37,496,843	1,371,445	37,173,248	714,097	242,067	*2,365	*31	118,228	27,881
\$30,000 under \$40,000	1,442,382	49,146,684	1,442,382	48,482,879	853,606	477,495	*14,187	*4,266	134,780	31,900
\$40,000 or more	641,451	29,588,301	641,451	29,183,842	467,239	332,757	*7,125	*2,678	81,809	55,104
Taxable returns, total	12,079,332	242,595,057	11,696,414	237,067,850	5,912,997	3,675,189	52,252	32,204	1,022,019	481,843
Under \$1,000	228,608	166,469	*22,861	*8,690	217,178	141,040	—	—	45,722	15,168
\$1,000 under \$2,000	197,174	283,705	120,019	127,726	197,174	141,540	*2,858	*246	48,579	16,194
\$2,000 under \$3,000	162,883	395,586	128,592	213,657	154,310	167,112	—	—	37,149	11,582
\$3,000 under \$4,000	125,734	440,310	117,162	332,162	100,016	71,877	—	—	28,576	34,706
\$4,000 under \$5,000	137,165	622,694	137,165	548,216	88,586	64,270	—	—	*14,288	*7,221
\$5,000 under \$6,000	188,602	1,044,336	188,602	923,831	85,728	57,303	—	—	*17,146	*14,474
\$6,000 under \$7,000	265,776	1,749,947	251,488	1,540,451	117,162	143,306	—	—	*22,861	*4,384
\$7,000 under \$8,000	237,181	1,758,027	228,608	1,531,979	85,728	114,158	—	—	*20,003	*12,199
\$8,000 under \$9,000	265,757	2,267,171	254,326	2,030,828	105,731	137,173	—	—	*20,003	*17,694
\$9,000 under \$10,000	300,048	2,835,585	291,475	2,577,009	142,880	151,333	*2,858	*100	*17,146	*26,693
\$10,000 under \$11,000	308,621	3,236,458	308,621	3,086,614	108,589	90,257	*2,858	*17,906	*25,718	*13,914
\$11,000 under \$12,000	245,754	2,834,242	242,896	2,663,632	105,731	94,278	*2,858	*1,980	*14,288	*37,592
\$12,000 under \$13,000	348,627	4,355,245	348,627	4,209,376	134,307	71,209	—	—	*20,003	*8,310
\$13,000 under \$14,000	425,782	5,753,049	422,925	5,591,332	142,880	83,928	—	—	*25,718	*11,742
\$14,000 under \$15,000	468,646	6,791,138	465,789	6,630,498	182,886	90,786	—	—	31,434	16,457
\$15,000 under \$16,000	614,384	9,522,706	614,384	9,314,616	202,890	73,580	*2,858	*63	*25,718	*8,173
\$16,000 under \$17,000	494,365	8,176,662	494,365	7,994,265	174,314	116,527	—	—	37,149	15,460
\$17,000 under \$18,000	537,229	9,408,308	534,371	9,178,151	202,890	161,977	*2,858	*4,418	*25,718	*18,051
\$18,000 under \$19,000	585,808	10,828,344	585,808	10,645,463	214,320	90,997	*5,715	*380	*25,718	*5,715
\$19,000 under \$20,000	517,226	10,084,850	517,226	9,910,320	217,178	108,617	—	—	42,864	21,944
\$20,000 under \$25,000	1,968,685	43,808,395	1,965,828	43,169,067	897,578	451,600	*5,715	*137	141,401	49,288
\$25,000 under \$30,000	1,371,445	37,496,843	1,371,445	37,173,248	714,097	242,067	*2,365	*31	118,228	27,881
\$30,000 under \$40,000	1,442,382	49,146,684	1,442,382	48,482,879	853,606	477,495	*14,187	*4,266	134,780	31,900
\$40,000 or more	641,451	29,588,301	641,451	29,183,842	467,239	332,757	*7,125	*2,678	81,809	55,104
Nontaxable returns, total	6,986,833	50,149,494	6,801,089	48,148,651	1,091,603	757,004	*14,288	*11,425	131,450	87,874

Footnote(s) at end of table

Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Unemployment compensation in AGI		Statutory adjustments						Basic standard deduction	
	Number of returns	Amount	Total		Primary IRA payments		Secondary IRA payments		Number of returns	Amount
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns, total	2,402,651	3,438,888	705,686	912,748	676,818	838,364	103,256	69,817	18,942,010	76,804,753
Under \$1,000	11,430	5,935	—	—	—	—	—	—	577,235	1,183,024
\$1,000 under \$2,000	28,576	21,992	*5,715	*6,310	*5,715	*6,310	—	—	768,694	2,254,541
\$2,000 under \$3,000	54,294	54,894	*8,573	*11,536	*8,573	*11,536	—	—	705,827	2,229,551
\$3,000 under \$4,000	45,722	45,033	*2,858	*5,087	*2,858	*5,087	—	—	662,963	2,398,189
\$4,000 under \$5,000	85,728	105,705	*11,430	*14,002	*11,430	*14,002	—	—	674,394	2,548,839
\$5,000 under \$6,000	91,443	122,217	*14,288	*24,933	*14,288	*23,218	*2,858	*1,715	631,530	2,465,820
\$6,000 under \$7,000	142,880	177,777	*5,715	*1,829	*5,715	*1,829	—	—	797,290	3,175,766
\$7,000 under \$8,000	134,307	197,217	*2,858	*2,858	*2,858	*2,858	—	—	780,125	3,154,447
\$8,000 under \$9,000	151,453	211,642	*8,573	*5,967	*8,573	*5,967	—	—	697,255	2,774,677
\$9,000 under \$10,000	125,734	195,414	28,576	26,616	28,576	26,616	—	—	765,837	3,063,747
\$10,000 under \$11,000	120,019	173,353	*20,003	*35,649	*20,003	*34,934	*2,858	*714	740,118	3,065,919
\$11,000 under \$12,000	114,304	193,422	*20,003	*19,174	*20,003	*19,174	—	—	662,963	2,779,416
\$12,000 under \$13,000	94,301	168,207	*17,146	*24,187	*17,146	*24,187	—	—	691,539	2,870,231
\$13,000 under \$14,000	108,589	170,081	*11,430	*18,003	*11,430	*18,003	—	—	754,406	3,122,214
\$14,000 under \$15,000	105,731	142,208	*25,718	*35,871	*25,718	*34,157	*2,858	*1,715	671,536	2,738,152
\$15,000 under \$16,000	100,016	182,629	*17,146	*26,604	*17,146	*26,604	—	—	694,397	2,856,857
\$16,000 under \$17,000	80,013	88,323	*20,003	*29,333	*20,003	*27,433	*2,858	*1,900	560,090	2,343,632
\$17,000 under \$18,000	71,440	99,313	*25,718	*37,795	*25,718	*37,080	*2,858	*714	580,093	2,502,858
\$18,000 under \$19,000	77,155	117,499	*22,861	*28,039	*22,861	*28,039	—	—	588,666	2,452,792
\$19,000 under \$20,000	82,870	107,283	40,006	63,313	40,006	59,741	*5,715	*3,572	528,656	2,186,064
\$20,000 under \$25,000	207,619	304,284	136,964	165,843	134,106	158,677	*9,951	*5,665	1,974,400	8,528,845
\$25,000 under \$30,000	137,144	178,122	104,041	124,475	96,947	112,300	*16,552	*9,354	1,359,622	6,125,913
\$30,000 under \$40,000	182,071	293,111	113,499	138,700	96,947	116,083	33,104	22,371	1,432,923	6,690,759
\$40,000 or more	49,810	83,224	42,562	66,626	40,198	44,529	23,646	22,097	641,451	3,092,500
Taxable returns, total	1,579,662	2,223,236	651,392	853,062	622,524	780,392	100,398	68,103	12,000,899	47,199,962
Under \$1,000	2,858	1,572	—	—	—	—	—	—	228,608	115,453
\$1,000 under \$2,000	*5,715	*4,555	*5,715	*6,310	*5,715	*6,310	—	—	197,174	169,218
\$2,000 under \$3,000	*5,715	*3,235	—	—	—	—	—	—	162,883	231,194
\$3,000 under \$4,000	*5,715	*6,652	*2,858	*5,087	*2,858	*5,087	—	—	125,734	311,856
\$4,000 under \$5,000	*5,715	*4,415	*2,858	*1,429	*2,858	*1,429	—	—	134,307	384,836
\$5,000 under \$6,000	45,722	60,158	*5,715	*11,430	*5,715	*11,430	—	—	185,744	545,399
\$6,000 under \$7,000	57,152	63,350	*2,858	*1,543	*2,858	*1,543	—	—	265,776	783,040
\$7,000 under \$8,000	51,437	102,548	*2,858	*2,858	*2,858	*2,858	—	—	231,466	681,766
\$8,000 under \$9,000	71,440	87,443	*8,573	*5,967	*8,573	*5,967	—	—	260,042	789,555
\$9,000 under \$10,000	65,725	98,876	*17,146	*18,326	*17,146	*18,326	—	—	297,190	951,809
\$10,000 under \$11,000	51,437	69,891	*14,288	*24,218	*14,288	*23,504	*2,858	*714	305,763	1,088,574
\$11,000 under \$12,000	42,864	56,260	*14,288	*17,520	*14,288	*17,520	—	—	240,038	854,422
\$12,000 under \$13,000	57,152	90,537	*17,146	*24,187	*17,146	*24,187	—	—	345,770	1,268,832
\$13,000 under \$14,000	68,582	84,051	*11,430	*18,003	*11,430	*18,003	—	—	425,782	1,581,967
\$14,000 under \$15,000	82,870	88,854	*22,861	*35,457	*22,861	*33,743	*2,858	*1,715	468,646	1,776,856
\$15,000 under \$16,000	88,586	152,942	*17,146	*26,604	*17,146	*26,604	—	—	602,954	2,425,359
\$16,000 under \$17,000	74,298	79,744	*20,003	*29,333	*20,003	*27,433	*2,858	*1,900	494,365	2,033,868
\$17,000 under \$18,000	62,867	87,923	*25,718	*37,795	*25,718	*37,080	*2,858	*714	534,371	2,282,822
\$18,000 under \$19,000	74,298	114,207	*22,861	*28,039	*22,861	*28,039	—	—	582,950	2,424,216
\$19,000 under \$20,000	82,870	107,283	40,006	63,313	40,006	59,741	*5,715	*3,572	514,368	2,118,053
\$20,000 under \$25,000	207,619	304,284	136,964	165,843	134,106	158,677	*9,951	*5,665	1,962,970	8,471,693
\$25,000 under \$30,000	137,144	178,122	104,041	124,475	96,947	112,300	*16,552	*9,354	1,359,622	6,125,913
\$30,000 under \$40,000	182,071	293,111	113,499	138,700	96,947	116,083	33,104	22,371	1,432,923	6,690,759
\$40,000 or more	49,810	83,224	42,562	66,626	40,198	44,529	23,646	22,097	641,451	3,092,500
Nontaxable returns, total	822,989	1,215,652	54,294	59,687	54,294	57,972	*2,858	*1,715	6,941,111	29,404,792

Footnote(s) at end of table

Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Additional standard deduction		Exemptions		Taxable income		Child care credit		Earned income credit used to offset income tax before credits	
	Number of returns	Amount	Number of exemptions	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)
All returns, total	528,686	428,483	44,863,394	87,144,370	13,876,762	148,583,540	2,492,295	1,125,543	2,614,704	610,921
Under \$1,000	*14,288	*11,573	580,093	1,109,720	231,466	51,028	—	—	—	—
\$1,000 under \$2,000	*22,861	*20,575	1,074,458	2,094,907	197,174	114,487	—	—	—	—
\$2,000 under \$3,000	*20,003	*15,002	994,445	1,922,965	168,598	169,113	—	—	—	—
\$3,000 under \$4,000	31,434	24,432	1,125,894	2,181,835	131,450	133,901	—	—	—	—
\$4,000 under \$5,000	*25,718	*20,575	1,320,211	2,555,580	142,880	203,521	—	—	—	—
\$5,000 under \$6,000	31,434	24,861	1,251,629	2,436,790	188,602	262,070	—	—	—	—
\$6,000 under \$7,000	45,741	41,592	1,700,291	3,301,994	282,922	530,557	*2,858	*123	*11,430	*503
\$7,000 under \$8,000	40,006	31,719	1,828,864	3,548,511	245,754	600,699	*2,858	*583	*5,715	*329
\$8,000 under \$9,000	28,576	20,575	1,634,549	3,151,880	377,203	1,005,489	31,434	3,612	77,155	6,361
\$9,000 under \$10,000	40,006	36,006	1,794,573	3,474,242	491,507	1,373,551	68,582	13,665	131,450	22,827
\$10,000 under \$11,000	34,291	31,719	1,674,554	3,259,607	574,378	1,750,303	120,019	32,174	171,456	39,035
\$11,000 under \$12,000	*20,003	*17,146	1,717,418	3,326,018	548,659	1,860,778	102,874	30,162	237,181	60,307
\$12,000 under \$13,000	*20,003	*15,002	1,674,554	3,259,693	620,099	2,667,947	122,877	49,559	274,330	83,728
\$13,000 under \$14,000	*20,003	*14,145	1,837,437	3,582,430	688,682	3,570,686	151,453	66,468	345,770	119,573
\$14,000 under \$15,000	*8,573	*9,001	1,631,690	3,180,937	634,387	3,843,529	134,307	55,695	288,618	95,252
\$15,000 under \$16,000	*8,573	*7,716	1,683,126	3,249,177	694,397	4,839,834	137,165	58,764	342,912	96,927
\$16,000 under \$17,000	*11,430	*9,001	1,414,512	2,757,298	534,371	4,202,595	114,304	57,463	251,469	47,876
\$17,000 under \$18,000	*17,146	*12,002	1,580,253	3,069,662	574,378	4,637,565	134,307	64,387	322,909	33,711
\$18,000 under \$19,000	*8,573	*6,430	1,454,518	2,833,396	588,666	5,646,898	105,731	47,053	154,310	4,492
\$19,000 under \$20,000	*8,573	*7,716	1,314,496	2,558,295	528,656	5,614,095	91,443	52,891	—	—
\$20,000 under \$25,000	37,149	26,147	5,376,715	10,465,877	1,977,258	25,033,385	462,438	254,172	—	—
\$25,000 under \$30,000	*18,916	*13,478	3,993,742	7,757,081	1,371,445	23,600,371	293,205	144,827	—	—
\$30,000 under \$40,000	*9,458	*8,512	4,291,676	8,335,476	1,442,382	34,109,892	295,570	141,098	—	—
\$40,000 or more	*5,927	*3,556	1,913,697	3,730,999	641,451	22,761,246	120,870	52,847	—	—
Taxable returns, total	302,935	238,166	26,023,235	50,556,942	12,079,332	144,594,799	1,709,313	820,069	1,325,926	329,690
Under \$1,000	—	—	—	—	228,608	51,017	—	—	—	—
\$1,000 under \$2,000	—	—	—	—	197,174	114,487	—	—	—	—
\$2,000 under \$3,000	—	—	—	—	162,883	164,392	—	—	—	—
\$3,000 under \$4,000	—	—	—	—	125,734	128,455	—	—	—	—
\$4,000 under \$5,000	—	—	*22,861	*41,950	137,165	195,908	—	—	—	—
\$5,000 under \$6,000	—	—	122,877	236,866	188,602	262,070	—	—	—	—
\$6,000 under \$7,000	25,738	19,303	217,197	423,534	265,776	524,070	—	—	—	—
\$7,000 under \$8,000	*17,146	*12,859	248,611	479,420	237,181	583,982	—	—	—	—
\$8,000 under \$9,000	*20,003	*15,002	285,760	546,830	265,757	915,784	—	—	—	—
\$9,000 under \$10,000	*20,003	*15,002	382,918	741,433	300,048	1,127,340	*5,715	*903	—	—
\$10,000 under \$11,000	28,576	27,862	425,782	824,932	308,621	1,295,090	*5,715	*3,066	—	—
\$11,000 under \$12,000	*20,003	*17,146	371,488	711,971	245,754	1,250,703	*2,858	*1,109	—	—
\$12,000 under \$13,000	*17,146	*13,288	540,086	1,047,482	348,627	2,024,501	*11,430	*6,881	54,294	29,813
\$13,000 under \$14,000	*20,003	*14,145	697,254	1,359,075	425,782	2,797,862	*20,003	*5,358	128,592	64,690
\$14,000 under \$15,000	*8,573	*9,001	851,565	1,659,694	468,646	3,345,587	37,149	13,288	157,168	62,941
\$15,000 under \$16,000	*8,573	*7,716	1,274,490	2,452,335	614,384	4,636,439	88,586	35,814	291,475	89,386
\$16,000 under \$17,000	*11,430	*9,001	1,083,030	2,110,909	494,365	4,022,884	82,870	32,671	234,323	45,756
\$17,000 under \$18,000	*17,146	*12,002	1,334,499	2,590,443	537,229	4,521,898	108,589	48,131	305,763	32,611
\$18,000 under \$19,000	*8,573	*6,430	1,420,227	2,766,528	585,808	5,631,169	102,874	44,684	154,310	4,492
\$19,000 under \$20,000	*8,573	*7,716	1,243,056	2,418,987	517,226	5,540,095	80,013	41,792	—	—
\$20,000 under \$25,000	37,149	26,147	5,302,418	10,320,997	1,968,685	24,989,558	453,865	247,599	—	—
\$25,000 under \$30,000	*18,916	*13,478	3,993,742	7,757,081	1,371,445	23,600,371	293,205	144,827	—	—
\$30,000 under \$40,000	*9,458	*8,512	4,291,676	8,335,476	1,442,382	34,109,892	295,570	141,098	—	—
\$40,000 or more	*5,927	*3,556	1,913,697	3,730,999	641,451	22,761,246	120,870	52,847	—	—
Nontaxable returns, total	225,750	190,316	18,840,159	36,587,428	1,797,430	3,988,741	782,982	305,475	1,288,778	281,231

Footnote(s) at end of table

Table 1.6—Form 1040A Returns: Sources of Income, Deductions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Income tax after credits		Income tax withheld		Overpayment refunded		Tax due at time of filing	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
All returns, total	12,079,332	21,574,333	17,700,232	31,282,719	16,556,473	13,324,092	2,167,273	593,951
Under \$1,000	228,608	7,684	231,466	8,679	277,187	21,269	225,750	7,427
\$1,000 under \$2,000	197,174	18,392	574,378	60,473	600,096	120,431	131,450	15,380
\$2,000 under \$3,000	162,883	25,818	582,950	94,695	568,662	173,899	100,016	18,974
\$3,000 under \$4,000	125,734	21,735	548,659	125,474	562,947	248,931	54,294	11,985
\$4,000 under \$5,000	137,165	28,190	574,378	175,840	600,096	350,490	40,006	8,090
\$5,000 under \$6,000	188,602	37,963	542,944	188,853	565,805	418,284	42,864	6,424
\$6,000 under \$7,000	265,776	78,626	728,707	334,678	728,707	604,845	54,294	7,584
\$7,000 under \$8,000	237,181	84,485	734,403	369,185	731,546	683,012	51,437	7,070
\$8,000 under \$9,000	265,757	133,661	631,531	388,931	642,961	589,483	57,152	16,717
\$9,000 under \$10,000	300,048	165,924	728,688	530,885	694,397	724,942	71,440	15,140
\$10,000 under \$11,000	308,621	189,547	720,115	596,150	682,966	716,998	60,010	13,342
\$11,000 under \$12,000	245,754	183,401	648,675	613,387	622,957	671,242	45,722	12,871
\$12,000 under \$13,000	348,627	264,762	674,394	733,446	634,387	638,754	60,010	17,111
\$13,000 under \$14,000	425,782	349,059	740,118	894,020	714,400	671,087	37,149	16,488
\$14,000 under \$15,000	468,646	425,031	665,821	917,138	614,384	557,038	57,152	13,799
\$15,000 under \$16,000	614,384	563,822	700,112	1,056,983	651,533	525,698	51,437	12,602
\$16,000 under \$17,000	494,365	525,001	557,232	875,440	514,368	371,259	45,722	8,636
\$17,000 under \$18,000	537,229	595,278	574,378	996,794	551,517	413,660	31,434	7,718
\$18,000 under \$19,000	585,808	794,741	591,523	1,103,691	511,510	330,264	77,155	21,095
\$19,000 under \$20,000	517,226	787,826	528,656	1,121,739	468,646	350,439	62,867	16,526
\$20,000 under \$25,000	1,968,685	3,517,930	1,965,828	4,862,620	1,761,066	1,412,913	213,334	68,224
\$25,000 under \$30,000	1,371,445	3,540,640	1,371,445	4,478,193	1,156,270	1,006,823	212,810	69,270
\$30,000 under \$40,000	1,442,382	5,278,046	1,442,382	6,402,701	1,239,029	1,203,712	203,352	79,057
\$40,000 or more	641,451	3,956,770	641,451	4,352,725	461,034	518,617	180,417	122,423
Taxable returns, total	12,079,332	21,574,333	11,507,812	28,187,237	9,895,406	7,207,096	2,167,273	593,951
Under \$1,000	228,608	7,684	*11,430	*366	*2,858	*109	225,750	7,427
\$1,000 under \$2,000	197,174	18,392	94,301	8,070	65,725	5,058	131,450	15,380
\$2,000 under \$3,000	162,883	25,818	114,304	15,597	62,867	8,753	100,016	18,974
\$3,000 under \$4,000	125,734	21,735	102,874	22,858	71,440	13,108	54,294	11,985
\$4,000 under \$5,000	137,165	28,190	105,731	45,136	94,301	25,035	40,006	8,090
\$5,000 under \$6,000	188,602	37,963	177,171	79,456	145,738	47,916	42,864	6,424
\$6,000 under \$7,000	265,776	78,626	248,630	148,043	211,482	77,001	54,294	7,584
\$7,000 under \$8,000	237,181	84,485	220,035	142,143	185,744	64,727	51,437	7,070
\$8,000 under \$9,000	265,757	133,661	242,896	195,097	208,605	78,153	57,152	16,717
\$9,000 under \$10,000	300,048	165,924	282,902	249,680	228,608	98,896	71,440	15,140
\$10,000 under \$11,000	308,621	189,547	302,906	299,248	248,611	123,043	60,010	13,342
\$11,000 under \$12,000	245,754	183,401	240,038	267,586	200,032	97,056	45,722	12,871
\$12,000 under \$13,000	348,627	264,762	337,197	413,195	288,618	165,544	60,010	17,111
\$13,000 under \$14,000	425,782	349,059	420,067	581,404	388,634	248,834	37,149	16,488
\$14,000 under \$15,000	468,646	425,031	462,931	705,270	411,494	294,038	57,152	13,799
\$15,000 under \$16,000	614,384	563,822	608,669	953,753	560,090	402,533	51,437	12,602
\$16,000 under \$17,000	494,365	525,001	491,507	814,367	448,643	298,002	45,722	8,636
\$17,000 under \$18,000	537,229	595,278	534,371	960,962	505,795	373,403	31,434	7,718
\$18,000 under \$19,000	585,808	794,741	585,808	1,099,813	505,795	326,166	77,155	21,095
\$19,000 under \$20,000	517,226	787,826	514,368	1,098,710	454,358	327,410	62,867	16,526
\$20,000 under \$25,000	1,968,685	3,517,930	1,954,397	4,852,867	1,749,636	1,403,160	213,334	68,224
\$25,000 under \$30,000	1,371,445	3,540,640	1,371,445	4,478,193	1,156,270	1,006,823	212,810	69,270
\$30,000 under \$40,000	1,442,382	5,278,046	1,442,382	6,402,701	1,239,029	1,203,712	203,352	79,057
\$40,000 or more	641,451	3,956,770	641,451	4,352,725	461,034	518,617	180,417	122,423
Nontaxable returns, total	—	—	6,192,420	3,095,481	6,661,067	6,116,996	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based.
NOTE: Detail may not add to total because of rounding.

Table 2.1—Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Adjusted gross income	Salaries and wages		Taxable interest received		Tax-exempt interest	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Total	31,902,985	1,887,493,616	28,285,668	1,366,089,724	27,980,391	98,252,582	2,227,227	25,872,928
Under \$5,000	198,243	620,746	91,647	820,411	167,040	467,473	113,585	35,516
\$5,000 under \$10,000	697,541	5,367,434	315,900	3,048,293	548,672	1,843,454	26,948	211,096
\$10,000 under \$15,000	1,183,483	15,173,655	666,527	7,371,937	998,819	2,837,265	70,775	449,756
\$15,000 under \$20,000	1,681,798	29,546,235	1,294,276	20,675,350	1,257,635	2,494,721	64,692	462,038
\$20,000 under \$25,000	2,119,585	47,767,794	1,797,544	37,265,349	1,670,723	2,955,178	76,746	393,678
\$25,000 under \$30,000	2,459,551	67,723,454	2,231,134	56,322,165	1,962,029	2,893,291	95,843	330,324
\$30,000 under \$35,000	2,947,186	95,816,097	2,723,837	81,740,323	2,447,239	4,165,658	126,761	775,146
\$35,000 under \$40,000	3,054,690	114,766,913	2,867,611	98,874,401	2,635,228	3,908,741	114,019	686,438
\$40,000 under \$45,000	2,937,945	124,773,339	2,785,420	108,927,697	2,574,317	4,004,288	112,538	445,226
\$45,000 under \$50,000	2,586,666	122,787,727	2,454,516	108,123,748	2,299,361	3,726,475	103,735	794,552
\$50,000 under \$55,000	2,156,257	113,132,331	2,033,431	97,636,575	1,978,167	3,826,270	106,400	504,566
\$55,000 under \$60,000	1,773,212	101,801,516	1,676,870	87,737,475	1,640,606	3,339,426	99,207	407,163
\$60,000 under \$75,000	3,438,303	229,054,510	3,226,339	194,171,176	3,251,028	7,718,004	263,280	2,206,063
\$75,000 under \$100,000	2,280,238	194,046,957	2,081,853	151,333,587	2,203,969	9,300,303	295,218	2,056,525
\$100,000 under \$200,000	1,682,932	223,762,757	1,452,051	144,747,421	1,645,820	14,503,860	382,511	4,805,406
\$200,000 under \$500,000	531,688	157,100,092	440,421	86,914,839	526,548	11,268,684	186,703	4,697,763
\$500,000 under \$1,000,000	112,433	76,261,117	94,771	35,193,489	112,075	6,026,300	53,608	2,708,710
\$1,000,000 or more	61,231	167,990,942	51,520	45,185,489	61,116	12,973,192	34,659	3,902,961
Total taxable returns	30,370,549	1,866,784,070	27,467,039	1,353,880,620	26,709,283	93,107,392	2,143,037	25,143,316
Total nontaxable returns	1,532,436	20,709,546	818,629	12,209,104	1,271,109	5,145,190	84,189	729,612

Size of adjusted gross income	Dividends		State income tax refunds		Alimony received		Business or profession net income less loss	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Total	11,884,111	54,903,150	15,921,502	9,961,864	224,538	1,836,587	6,523,370	92,819,128
Under \$5,000	67,825	101,064	54,774	32,760	—	—	94,498	—165,144
\$5,000 under \$10,000	207,944	498,516	149,845	50,846	*15,679	*83,028	164,040	562,576
\$10,000 under \$15,000	346,784	841,448	352,860	126,532	*15,679	*62,899	304,848	1,802,180
\$15,000 under \$20,000	433,980	1,171,213	690,190	225,789	30,701	137,249	386,326	2,523,118
\$20,000 under \$25,000	502,975	1,037,618	963,502	305,515	*24,492	*121,730	476,416	3,201,749
\$25,000 under \$30,000	576,666	1,039,131	1,257,672	498,807	*17,346	*138,015	493,300	3,526,738
\$30,000 under \$35,000	820,008	1,576,269	1,589,255	563,669	28,375	177,089	546,040	3,255,900
\$35,000 under \$40,000	924,046	1,708,646	1,671,683	653,508	22,076	260,677	535,843	3,964,788
\$40,000 under \$45,000	975,106	1,317,908	1,604,942	639,538	*18,330	*151,038	535,776	3,705,981
\$45,000 under \$50,000	848,830	1,322,859	1,411,941	597,087	*13,395	*78,682	439,911	3,699,788
\$50,000 under \$55,000	800,978	1,436,775	1,163,883	515,676	*6,652	*35,412	364,784	3,843,067
\$55,000 under \$60,000	752,696	1,649,128	933,887	462,663	*3,359	*77,530	336,842	4,187,332
\$60,000 under \$75,000	1,604,881	4,132,357	1,783,543	935,246	9,603	76,099	621,687	8,979,972
\$75,000 under \$100,000	1,314,345	4,835,450	1,118,690	885,598	10,759	327,490	534,960	12,903,448
\$100,000 under \$200,000	1,137,480	8,329,752	812,908	1,161,562	6,195	154,391	485,867	19,423,210
\$200,000 under \$500,000	417,649	7,730,637	264,392	905,708	1,492	35,287	151,086	10,256,779
\$500,000 under \$1,000,000	96,458	4,338,147	60,786	473,005	227	4,752	32,513	3,097,353
\$1,000,000 or more	55,461	11,836,232	36,679	928,356	176	5,219	18,632	4,050,295
Total taxable returns	11,396,131	53,287,826	15,450,672	9,703,200	210,083	1,754,981	5,979,900	90,601,300
Total nontaxable returns	487,980	1,615,324	470,830	258,664	*14,455	*81,606	543,470	2,217,828

Size of adjusted gross income	Sales of capital assets net gain less loss in AGI		Sales of property other than capital assets net gain less loss		Total taxable IRA distributions		Pensions and annuities in AGI	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Total	8,048,764	127,438,186	983,278	2,337,554	1,199,039	6,253,730	6,054,913	60,560,927
Under \$5,000	50,583	211,799	11,384	9,909	*7,043	*19,469	22,631	72,973
\$5,000 under \$10,000	151,494	53,861	13,944	—77,877	*9,890	*83,047	188,947	890,545
\$10,000 under \$15,000	255,821	147,768	26,597	20,464	63,190	252,152	324,242	2,019,257
\$15,000 under \$20,000	296,831	274,320	41,485	55,581	50,328	147,216	382,283	2,816,042
\$20,000 under \$25,000	378,699	489,356	55,353	13,966	80,607	215,876	397,357	3,583,559
\$25,000 under \$30,000	362,934	547,977	56,725	—24,864	75,399	213,635	397,982	3,627,305
\$30,000 under \$35,000	526,423	611,404	48,439	17,904	92,669	411,374	443,048	3,833,025
\$35,000 under \$40,000	578,442	1,192,776	66,230	53,544	103,313	288,642	443,068	4,017,908
\$40,000 under \$45,000	532,257	717,970	55,413	61,101	114,094	435,677	522,542	4,387,000
\$45,000 under \$50,000	494,989	970,738	44,576	61,608	102,671	412,821	443,455	3,576,010
\$50,000 under \$55,000	451,021	1,388,457	41,720	62,345	87,154	360,802	429,736	3,646,886
\$55,000 under \$60,000	447,803	1,337,036	40,615	—10,562	63,294	255,194	357,446	2,740,454
\$60,000 under \$75,000	1,003,793	3,430,509	108,612	211,944	164,935	917,950	719,492	7,622,989
\$75,000 under \$100,000	955,416	5,687,267	103,731	150,817	88,645	646,443	509,419	6,333,453
\$100,000 under \$200,000	1,003,511	17,394,696	138,266	362,054	70,356	748,984	346,961	5,842,296
\$200,000 under \$500,000	404,120	20,819,964	86,857	524,659	19,680	359,950	91,579	2,427,725
\$500,000 under \$1,000,000	97,932	15,338,025	25,340	279,278	3,546	151,590	22,051	1,082,680
\$1,000,000 or more	56,696	56,824,262	17,992	565,681	2,226	332,910	12,673	2,040,821
Total taxable returns	7,659,352	125,940,564	939,039	2,372,662	1,155,843	5,979,064	5,723,749	58,808,805
Total nontaxable returns	389,412	1,497,623	44,239	—35,109	43,196	274,665	331,164	1,752,122

Footnote(s) at end of table

Table 2.1—Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Rent and Royalty				Farm rental income less loss		Partnership and S Corporation net income less loss	
	Net income		Net loss		Number of returns	Amount	Number of returns	Amount
	Number of returns	Amount	Number of returns	Amount				
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total	2,498,705	20,190,966	3,744,225	24,058,821	174,354	756,906	3,999,698	66,733,395
Under \$5,000	22,452	62,124	53,201	410,291	*666	*39	24,197	-322,016
\$5,000 under \$10,000	74,966	191,057	91,784	644,016	*11,726	*20,458	58,377	-209,746
\$10,000 under \$15,000	124,045	467,457	113,618	749,959	—	—	97,522	96,223
\$15,000 under \$20,000	110,400	504,623	159,330	829,077	*5,715	*26,973	153,767	-381,009
\$20,000 under \$25,000	117,272	448,899	204,848	1,088,164	*16,160	*61,935	163,598	-326,376
\$25,000 under \$30,000	115,259	316,774	244,376	1,203,519	*13,028	*60,478	161,222	73,428
\$30,000 under \$35,000	173,385	402,162	243,215	1,331,393	*7,491	*11,081	191,444	84,645
\$35,000 under \$40,000	172,250	784,698	250,039	1,163,823	23,966	9,214	194,361	-46,619
\$40,000 under \$45,000	168,649	608,068	242,787	1,161,188	*7,491	*6,587	242,023	609,952
\$45,000 under \$50,000	126,749	502,024	251,995	1,329,867	*5,282	*12,467	209,675	316,415
\$50,000 under \$55,000	136,288	628,047	236,410	1,393,329	12,356	29,530	182,638	378,991
\$55,000 under \$60,000	107,243	546,654	205,814	1,189,015	15,384	48,377	175,056	377,393
\$60,000 under \$75,000	269,757	1,522,292	430,181	2,618,388	17,647	133,184	430,709	1,896,658
\$75,000 under \$100,000	263,255	2,068,618	392,147	2,821,727	8,344	44,411	499,131	2,927,237
\$100,000 under \$200,000	304,774	3,895,830	401,341	2,916,281	20,611	176,194	712,007	10,836,328
\$200,000 under \$500,000	148,154	3,578,165	162,439	1,785,169	6,359	104,228	361,082	13,553,407
\$500,000 under \$1,000,000	39,122	1,653,207	38,950	706,302	1,388	6,985	89,884	8,618,395
\$1,000,000 or more	24,686	2,010,266	21,750	717,315	742	17,939	53,005	28,250,090
Total taxable returns	2,322,700	19,283,243	3,520,599	22,069,988	164,806	750,351	3,806,845	68,523,440
Total nontaxable returns	176,005	907,723	223,626	1,988,833	9,548	6,555	192,853	-1,790,045

Size of adjusted gross income	Estate and trust net income less loss		Farm net income less loss		Unemployment compensation in AGI		Social Security benefits in AGI	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total	327,406	3,310,578	660,098	-1,473,953	1,950,133	3,601,166	1,929,073	7,569,141
Under \$5,000	*1,333	*4,011	9,573	-49,894	*6,374	*4,903	—	—
\$5,000 under \$10,000	*10,265	*16,458	9,012	-85,383	32,757	66,263	*3,166	*7,420
\$10,000 under \$15,000	*19,273	*39,426	34,465	-22,674	74,058	175,891	*11,523	*10,008
\$15,000 under \$20,000	*5,045	*42,865	36,930	-209,585	150,570	253,508	18,742	72,966
\$20,000 under \$25,000	13,887	23,694	39,233	-138,975	183,640	354,321	66,981	92,904
\$25,000 under \$30,000	*12,240	*36,039	54,179	-107,540	183,946	372,348	152,194	233,298
\$30,000 under \$35,000	23,189	91,907	42,093	-87,658	230,786	415,545	243,785	578,674
\$35,000 under \$40,000	23,385	37,397	54,098	-39,604	220,123	410,155	188,280	640,003
\$40,000 under \$45,000	12,808	58,011	54,922	-38,260	206,853	353,780	182,281	705,778
\$45,000 under \$50,000	13,691	58,461	58,208	-38,054	200,068	344,693	141,569	674,339
\$50,000 under \$55,000	13,670	29,949	38,871	101,673	122,397	240,660	136,817	561,989
\$55,000 under \$60,000	21,769	94,416	36,776	-63,890	92,692	165,627	90,931	398,040
\$60,000 under \$75,000	30,859	210,274	54,213	23,263	144,549	256,738	206,972	943,632
\$75,000 under \$100,000	28,838	141,874	49,621	23,304	73,252	123,815	178,583	889,386
\$100,000 under \$200,000	51,965	433,215	52,610	-271,605	24,641	54,071	202,249	1,093,241
\$200,000 under \$500,000	30,482	570,292	24,278	-175,444	2,708	6,873	77,714	487,597
\$500,000 under \$1,000,000	8,626	298,106	6,584	-147,684	551	1,466	17,093	108,896
\$1,000,000 or more	6,080	1,124,182	4,432	-145,944	171	508	10,193	70,969
Total taxable returns	297,939	3,191,217	612,753	-1,322,500	1,861,435	3,426,717	1,902,621	7,488,946
Total nontaxable returns	29,467	119,361	47,345	-151,453	88,699	174,449	26,452	80,195

Size of adjusted gross income	Foreign earned income exclusion		Other income less loss		Total statutory adjustments		Itemized deductions
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Total
	(41)	(42)	(43)	(44)	(45)	(46)	(47)
Total	42,467	2,349,973	3,311,873	12,004,901	5,668,003	19,242,919	395,216,456
Under \$5,000	*230	*19,342	19,155	-198,632	21,943	20,871	1,556,386
\$5,000 under \$10,000	*13,817	*844,681	79,726	-11,354	108,986	175,334	5,636,813
\$10,000 under \$15,000	*230	*23,105	89,996	-60,526	181,447	240,986	9,348,681
\$15,000 under \$20,000	—	—	143,806	73,597	253,724	529,225	12,541,646
\$20,000 under \$25,000	*3,454	*125,731	191,617	90,898	377,484	815,475	16,033,227
\$25,000 under \$30,000	*3,445	*80,058	184,349	245,355	468,870	1,005,348	19,210,943
\$30,000 under \$35,000	*1,152	*91,154	235,524	436,356	514,258	1,046,688	25,061,389
\$35,000 under \$40,000	*3,685	*102,995	291,556	467,301	521,039	1,152,512	27,542,077
\$40,000 under \$45,000	*921	*79,657	266,471	411,534	534,310	1,036,082	28,222,144
\$45,000 under \$50,000	*230	*16,400	227,989	400,333	413,143	706,498	26,307,473
\$50,000 under \$55,000	*461	*29,504	251,765	515,131	257,541	683,058	23,369,277
\$55,000 under \$60,000	*461	*15,317	179,049	349,401	240,145	685,847	20,433,877
\$60,000 under \$75,000	*1,852	*118,266	405,995	537,083	559,654	1,928,205	46,262,800
\$75,000 under \$100,000	3,686	225,057	295,205	915,294	480,882	2,352,997	38,957,294
\$100,000 under \$200,000	5,538	329,130	282,762	1,844,404	500,734	3,721,364	42,219,155
\$200,000 under \$500,000	2,485	177,902	115,833	1,924,645	179,558	2,230,818	24,111,676
\$500,000 under \$1,000,000	597	51,280	31,202	1,048,873	35,346	553,900	9,765,330
\$1,000,000 or more	223	20,393	19,874	3,015,208	18,940	357,712	18,636,268
Total taxable returns	30,708	1,597,056	3,135,720	12,380,057	5,415,007	18,705,557	373,923,491
Total nontaxable returns	11,759	752,918	176,154	-375,156	252,996	537,362	21,292,965

Footnote(s) at end of table

Table 2.1—Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Itemized deductions—Continued							
	Medical and dental expense deduction						Taxes paid deduction	
	Total		Prescription medicines and drugs		Miscellaneous medical expenses		Total	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
Total	4,810,032	17,993,829	4,730,596	22,783,334	2,855,016	5,541,213	31,327,781	120,628,182
Under \$5,000	138,635	470,110	135,777	348,817	59,735	152,743	174,263	242,885
\$5,000 under \$10,000	462,785	2,582,001	451,354	2,133,484	234,770	714,252	580,684	666,844
\$10,000 under \$15,000	633,218	2,968,986	611,090	2,751,916	353,518	813,225	1,090,817	1,362,978
\$15,000 under \$20,000	650,105	2,326,413	642,266	2,738,445	347,407	432,293	1,606,561	2,330,091
\$20,000 under \$25,000	628,683	1,770,990	625,162	2,377,764	414,340	448,367	2,048,821	3,471,804
\$25,000 under \$30,000	505,907	1,234,667	505,907	2,004,590	290,023	256,233	2,410,509	4,444,791
\$30,000 under \$35,000	430,476	1,010,659	428,112	1,722,968	266,514	326,420	2,914,158	6,332,040
\$35,000 under \$40,000	356,135	1,114,532	349,041	1,819,232	236,238	292,901	3,034,484	7,379,669
\$40,000 under \$45,000	289,725	994,141	278,885	1,411,424	192,243	495,056	2,915,984	7,895,748
\$45,000 under \$50,000	167,829	367,498	167,165	846,429	106,267	109,520	2,573,509	7,706,542
\$50,000 under \$55,000	136,144	508,070	134,817	772,569	82,216	270,157	2,148,069	7,110,053
\$55,000 under \$60,000	94,626	324,525	92,230	636,904	62,505	87,977	1,761,371	6,423,878
\$60,000 under \$75,000	184,398	957,313	180,141	1,505,736	121,567	361,210	3,418,902	14,695,289
\$75,000 under \$100,000	78,943	448,830	77,663	729,263	52,344	219,371	2,273,717	12,814,506
\$100,000 under \$200,000	44,044	591,098	42,863	671,458	29,358	340,620	1,675,422	14,633,135
\$200,000 under \$500,000	7,617	289,195	7,366	265,429	5,460	186,034	527,559	9,803,349
\$500,000 under \$1,000,000	617	29,000	617	29,842	466	30,953	112,026	4,442,800
\$1,000,000 or more	144	5,802	139	17,062	46	3,882	60,924	8,871,779
Total taxable returns	3,821,470	10,439,394	3,774,860	16,621,870	2,365,213	3,278,892	29,992,850	118,283,709
Total nontaxable returns	988,562	7,554,435	955,735	6,161,464	489,804	2,262,321	1,334,931	2,344,473

Size of adjusted gross income	Itemized deductions—Continued							
	Taxes paid deduction—Continued							
	State and local income taxes		Real estate taxes		Personal property taxes		Other taxes	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)
Total	26,256,909	74,692,710	27,752,120	40,957,273	10,284,694	2,672,327	7,107,596	2,305,871
Under \$5,000	93,941	57,391	142,205	172,568	47,022	6,391	15,873	6,535
\$5,000 under \$10,000	321,462	148,784	445,237	466,093	182,663	33,119	93,747	18,848
\$10,000 under \$15,000	701,778	306,351	921,926	976,145	316,539	51,799	206,816	28,683
\$15,000 under \$20,000	1,240,742	838,973	1,334,273	1,349,089	466,730	78,547	311,004	63,482
\$20,000 under \$25,000	1,685,048	1,532,014	1,665,241	1,723,966	621,056	119,868	414,913	95,957
\$25,000 under \$30,000	2,021,494	2,155,981	2,042,383	2,010,100	774,100	127,167	614,563	151,542
\$30,000 under \$35,000	2,453,864	3,203,975	2,489,560	2,762,074	859,657	189,486	658,007	176,504
\$35,000 under \$40,000	2,587,113	4,017,558	2,626,684	3,002,943	938,229	178,166	664,787	181,002
\$40,000 under \$45,000	2,482,922	4,334,515	2,625,509	3,198,826	936,939	202,050	628,226	160,358
\$45,000 under \$50,000	2,221,944	4,415,117	2,319,156	2,887,368	826,554	206,255	590,709	197,802
\$50,000 under \$55,000	1,865,640	4,071,361	1,973,313	2,699,481	724,735	188,126	515,516	151,085
\$55,000 under \$60,000	1,535,994	3,792,375	1,602,101	2,309,808	614,549	168,530	417,078	153,166
\$60,000 under \$75,000	2,985,184	8,755,238	3,189,484	5,272,451	1,218,245	349,784	884,023	317,816
\$75,000 under \$100,000	1,989,148	7,981,313	2,137,573	4,360,536	844,766	276,932	539,165	195,726
\$100,000 under \$200,000	1,459,908	9,731,436	1,571,328	4,448,094	643,016	263,010	386,578	190,595
\$200,000 under \$500,000	458,758	7,462,704	501,063	2,102,203	203,301	131,037	122,493	107,405
\$500,000 under \$1,000,000	98,081	3,713,232	106,832	646,068	43,390	42,474	27,354	41,026
\$1,000,000 or more	53,887	8,174,391	58,252	569,461	23,204	59,588	16,744	68,339
Total taxable returns	25,462,634	74,032,289	26,629,770	39,448,020	9,855,278	2,585,515	6,872,227	2,217,884
Total nontaxable returns	794,275	660,421	1,122,350	1,509,253	429,416	86,812	235,369	87,987

Size of adjusted gross income	Itemized deductions—Continued							
	Interest paid deduction							
	Total		Home mortgage interest					
	Number of returns	Amount	Total		Paid to financial institutions		Paid to individuals	
			Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(64)	(65)	(66)	(67)	(68)	(69)	(70)	(71)
Total	29,631,009	179,737,720	25,992,894	149,166,281	25,461,197	144,507,994	1,590,548	4,658,287
Under \$5,000	156,180	670,401	126,906	546,703	118,962	488,670	17,203	58,033
\$5,000 under \$10,000	471,838	1,611,781	331,425	1,286,395	319,415	1,262,140	17,900	24,255
\$10,000 under \$15,000	917,690	3,431,013	743,849	3,064,161	723,255	2,966,460	42,659	97,701
\$15,000 under \$20,000	1,447,091	5,650,793	1,217,201	4,699,539	1,193,761	4,776,908	64,763	122,632
\$20,000 under \$25,000	1,945,115	7,325,548	1,579,000	6,367,431	1,545,512	6,116,720	100,651	250,711
\$25,000 under \$30,000	2,331,889	9,755,198	1,956,177	8,472,821	1,884,282	8,112,517	139,223	360,304
\$30,000 under \$35,000	2,800,712	12,823,300	2,437,695	11,057,546	2,387,998	10,621,581	137,812	435,964
\$35,000 under \$40,000	2,917,335	13,979,752	2,556,519	12,104,873	2,501,906	11,753,581	152,594	351,292
\$40,000 under \$45,000	2,815,673	14,333,594	2,528,802	12,438,854	2,465,462	12,090,048	146,272	348,806
\$45,000 under \$50,000	2,470,255	13,088,794	2,235,827	11,318,368	2,193,445	10,965,238	134,291	353,130
\$50,000 under \$55,000	2,069,158	11,479,721	1,870,600	9,909,990	1,846,531	9,665,946	91,034	244,044
\$55,000 under \$60,000	1,686,020	9,994,814	1,541,853	8,655,765	1,514,201	8,446,709	76,214	209,056
\$60,000 under \$75,000	3,298,960	22,221,585	3,017,812	19,356,598	2,974,034	18,799,350	193,905	557,248
\$75,000 under \$100,000	2,135,643	18,397,492	1,945,205	15,449,218	1,920,268	15,079,639	125,892	369,580
\$100,000 under \$200,000	1,534,748	18,351,853	1,369,401	14,923,390	1,348,136	14,435,462	105,940	487,928
\$200,000 under \$500,000	478,041	9,146,657	412,160	6,454,907	403,827	6,193,968	34,801	260,939
\$500,000 under \$1,000,000	100,214	3,058,006	81,543	1,733,206	80,274	1,657,360	6,416	75,845
\$1,000,000 or more	54,447	4,417,418	40,918	1,126,515	39,926	1,075,695	2,977	50,819
Total taxable returns	28,447,348	171,348,657	24,963,162	142,654,553	24,453,710	138,210,977	1,522,839	4,443,576
Total nontaxable returns	1,183,661	8,389,063	1,029,733	6,511,728	1,007,487	6,297,016	67,709	214,711

Table 2.1—Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Itemized deductions—Continued							
	Interest paid deduction—Continued							
	Deductible points		Investment interest paid		Personal interest paid		Personal interest deduction	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(72)	(73)	(74)	(75)	(76)	(77)	(78)	(79)
Total	2,449,237	3,662,320	1,735,632	10,628,453	25,855,529	39,511,896	25,839,032	16,280,665
Under \$5,000	*9,471	*5,310	14,769	33,760	111,945	155,907	111,945	84,628
\$5,000 under \$10,000	*15,039	*21,528	23,909	160,597	349,678	315,784	349,678	143,262
\$10,000 under \$15,000	24,291	28,740	27,156	51,981	698,043	682,003	698,043	286,131
\$15,000 under \$20,000	93,158	78,512	47,208	97,877	1,192,836	1,374,878	1,191,455	574,865
\$20,000 under \$25,000	98,546	104,526	67,946	84,186	1,653,246	1,853,402	1,653,246	769,406
\$25,000 under \$30,000	158,725	165,499	65,962	121,490	2,003,325	2,398,497	2,003,325	995,387
\$30,000 under \$35,000	199,948	246,406	76,448	186,314	2,467,319	3,225,337	2,465,939	1,333,034
\$35,000 under \$40,000	194,970	215,351	80,941	211,356	2,616,420	3,562,798	2,616,420	1,448,171
\$40,000 under \$45,000	226,582	283,710	97,431	174,070	2,555,741	3,513,052	2,554,360	1,436,960
\$45,000 under \$50,000	180,353	238,065	78,775	125,747	2,240,940	3,435,883	2,240,940	1,406,614
\$50,000 under \$55,000	190,435	287,885	79,163	99,470	1,869,556	2,901,164	1,868,892	1,182,377
\$55,000 under \$60,000	165,871	267,593	74,851	111,907	1,541,015	2,350,947	1,536,095	959,548
\$60,000 under \$75,000	343,188	498,931	176,319	358,787	2,944,007	4,958,859	2,940,414	2,007,268
\$75,000 under \$100,000	257,687	489,702	225,470	1,018,148	1,872,436	3,520,225	1,870,518	1,440,424
\$100,000 under \$200,000	212,285	495,539	332,761	1,695,743	1,266,820	2,930,670	1,266,205	1,237,182
\$200,000 under \$500,000	63,412	174,826	181,398	1,930,424	362,857	1,392,550	362,316	586,499
\$500,000 under \$1,000,000	10,541	38,452	51,482	1,122,405	71,577	396,717	71,512	163,943
\$1,000,000 or more	4,734	21,747	33,643	3,044,192	37,769	543,223	37,731	224,965
Total taxable returns	2,391,347	3,585,233	1,640,126	9,424,027	24,963,050	38,160,990	24,946,553	15,684,844
Total nontaxable returns	57,890	77,087	95,506	1,204,427	892,479	1,350,906	892,479	595,822

Size of adjusted gross income	Itemized deductions—Continued							
	Contributions deduction							
	Total		Cash contributions		Other than cash contributions		Carryover from prior years	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(80)	(81)	(82)	(83)	(84)	(85)	(86)	(87)
Total	29,110,570	50,949,273	28,621,202	42,834,342	10,671,964	6,711,616	172,981	1,403,315
Under \$5,000	151,948	93,112	144,806	76,135	36,033	9,815	*8,914	*7,163
\$5,000 under \$10,000	488,394	425,130	474,838	387,999	104,739	29,298	7,239	7,833
\$10,000 under \$15,000	944,721	998,192	911,637	885,657	260,192	103,527	22,099	9,008
\$15,000 under \$20,000	1,403,750	1,406,151	1,386,582	1,257,580	407,814	130,580	6,981	17,992
\$20,000 under \$25,000	1,864,678	2,043,100	1,817,288	1,798,605	579,333	230,621	12,194	13,874
\$25,000 under \$30,000	2,164,741	2,310,136	2,105,515	2,059,750	695,467	243,657	5,167	6,730
\$30,000 under \$35,000	2,680,510	2,833,191	2,629,395	2,502,237	860,228	296,787	13,115	34,168
\$35,000 under \$40,000	2,738,753	3,076,144	2,698,745	2,734,886	953,041	312,614	*9,824	*28,645
\$40,000 under \$45,000	2,719,960	3,295,754	2,666,967	2,951,390	947,270	327,927	10,804	16,438
\$45,000 under \$50,000	2,425,183	3,324,339	2,384,656	2,983,755	854,153	303,479	8,553	37,105
\$50,000 under \$55,000	2,022,744	2,759,033	1,999,339	2,433,612	790,876	312,852	8,310	12,569
\$55,000 under \$60,000	1,686,168	2,438,604	1,663,022	2,130,572	662,673	293,329	6,439	14,703
\$60,000 under \$75,000	3,318,477	5,528,973	3,277,540	4,788,759	1,490,379	692,773	13,805	47,441
\$75,000 under \$100,000	2,197,810	4,590,301	2,176,622	3,901,318	1,056,965	612,356	13,502	76,626
\$100,000 under \$200,000	1,618,863	5,579,518	1,604,242	4,631,217	710,355	724,693	14,109	223,609
\$200,000 under \$500,000	514,441	3,688,094	511,668	2,998,538	201,430	451,502	7,371	238,054
\$500,000 under \$1,000,000	109,585	1,814,840	108,811	1,313,193	39,756	326,691	2,538	174,956
\$1,000,000 or more	59,847	4,744,661	59,531	2,999,141	21,261	1,309,116	2,018	436,404
Total taxable returns	27,981,268	49,661,237	27,538,042	41,756,818	10,386,625	6,588,391	147,105	1,316,027
Total nontaxable returns	1,129,302	1,288,036	1,083,160	1,077,523	285,339	123,225	25,876	87,288

Size of adjusted gross income	Itemized deductions—Continued							
	Moving expenses		Casualty or theft loss		Miscellaneous deductions not subject to AGI limitation		Miscellaneous deductions subject to AGI limitation	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Total	
							Number of returns	Amount
	(88)	(89)	(90)	(91)	(92)	(93)	(94)	(95)
Total	912,394	3,633,937	133,499	1,235,777	821,846	1,629,361	7,444,166	19,408,378
Under \$5,000	*230	*31	—	—	—	—	72,852	79,846
\$5,000 under \$10,000	*5,715	*6,358	*5,074	*23,260	24,253	43,138	185,187	278,300
\$10,000 under \$15,000	*15,466	*87,836	*8,573	*85,808	*12,814	*11,324	246,810	402,544
\$15,000 under \$20,000	35,491	103,451	*11,451	*28,047	45,469	49,974	372,388	646,726
\$20,000 under \$25,000	63,979	167,090	*22,776	*198,419	66,009	120,858	515,827	935,417
\$25,000 under \$30,000	58,528	141,883	*14,207	*52,755	71,412	93,138	640,791	1,178,374
\$30,000 under \$35,000	99,227	272,365	17,477	152,746	68,985	92,249	798,517	1,544,839
\$35,000 under \$40,000	60,125	150,434	*16,462	*281,666	85,916	158,625	764,442	1,401,255
\$40,000 under \$45,000	89,114	270,676	*9,802	*27,481	87,593	86,445	681,182	1,318,304
\$45,000 under \$50,000	59,474	164,577	*2,762	*39,676	57,091	119,406	629,019	1,496,641
\$50,000 under \$55,000	52,789	219,222	*5,455	*52,611	57,730	122,111	494,009	1,118,456
\$55,000 under \$60,000	39,066	118,445	*5,584	*62,576	44,294	67,662	381,559	1,003,375
\$60,000 under \$75,000	131,231	607,551	*8,109	*48,949	70,989	97,162	752,333	2,105,978
\$75,000 under \$100,000	105,037	552,524	*1,798	*93,132	68,162	77,217	475,574	1,983,292
\$100,000 under \$200,000	81,439	625,322	3,784	49,291	44,660	224,614	340,471	2,164,325
\$200,000 under \$500,000	12,844	117,234	124	24,543	11,700	112,363	75,613	930,241
\$500,000 under \$1,000,000	1,920	21,573	56	14,273	2,809	55,451	12,538	329,387
\$1,000,000 or more	719	7,365	*5	*543	1,958	97,623	5,053	491,078
Total taxable returns	888,141	3,510,416	116,150	651,278	795,874	1,528,013	7,052,841	18,500,787
Total nontaxable returns	24,253	123,522	17,349	584,498	25,972	101,348	391,325	907,591

Individual Returns/1988

Table 2.1—Returns With Itemized Deductions: Sources of Income, Adjustments, Itemized Deductions by Type, Exemptions, and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Itemized deductions—Continued				Exemptions		Taxable income		Income tax before credits	
	Miscellaneous deductions subject to AGI limitation—Continued				Number of exemptions	Amount	Number of returns	Amount	Number of returns	Amount
	Unreimbursed employee business expenses		Tax preparation fee							
	Number of returns	Amount	Number of returns	Amount						
	(96)	(97)	(98)	(99)	(100)	(101)	(102)	(103)	(104)	(105)
Total	7,743,478	17,488,565	9,090,301	2,165,187	86,774,234	168,558,976	30,574,747	1,333,770,592	30,568,614	294,875,893
Under \$5,000	23,408	56,021	59,690	9,639	343,978	654,279	*11,430	*24,578	*11,430	*4,246
\$5,000 under \$10,000	78,203	118,361	194,818	38,455	1,007,866	1,921,695	272,225	541,862	268,709	98,518
\$10,000 under \$15,000	123,409	242,239	362,008	58,230	2,161,499	4,134,963	826,761	3,791,650	821,779	561,274
\$15,000 under \$20,000	257,977	516,921	410,281	73,209	3,484,177	6,753,805	1,494,914	11,328,409	1,494,913	1,747,102
\$20,000 under \$25,000	450,152	782,180	576,848	75,826	4,662,472	9,048,562	2,040,281	23,229,728	2,040,281	3,499,539
\$25,000 under \$30,000	570,228	1,075,565	643,218	86,479	5,779,835	11,189,633	2,427,050	37,634,470	2,429,414	5,886,373
\$30,000 under \$35,000	779,718	1,445,501	837,487	119,998	7,608,730	14,759,795	2,925,986	56,259,880	2,925,986	9,116,006
\$35,000 under \$40,000	796,989	1,343,363	832,777	129,171	8,596,116	16,710,876	3,039,506	70,921,593	3,039,506	11,632,367
\$40,000 under \$45,000	816,214	1,314,819	807,236	129,898	8,554,111	16,612,127	2,930,556	80,085,732	2,930,556	13,203,859
\$45,000 under \$50,000	724,967	1,486,350	792,095	117,333	7,872,902	15,316,152	2,583,508	81,215,295	2,583,508	13,768,037
\$50,000 under \$55,000	613,131	1,148,111	616,172	126,685	6,642,433	12,921,617	2,152,817	76,893,116	2,152,817	13,838,038
\$55,000 under \$60,000	477,346	968,169	514,073	98,455	5,433,029	10,575,777	1,772,135	70,821,310	1,772,135	13,394,484
\$60,000 under \$75,000	902,055	2,182,206	989,198	232,424	10,560,244	20,575,038	3,435,983	162,269,243	3,435,983	32,928,560
\$75,000 under \$100,000	594,394	2,015,341	684,025	225,893	6,877,374	13,394,095	2,277,912	141,785,239	2,277,912	31,731,201
\$100,000 under \$200,000	412,268	1,943,714	548,263	306,532	5,087,594	9,898,393	1,679,839	171,843,627	1,679,839	44,959,595
\$200,000 under \$500,000	99,539	639,650	169,056	188,407	1,598,492	3,111,580	530,568	130,016,581	530,567	37,455,412
\$500,000 under \$1,000,000	16,803	140,065	34,948	76,686	331,773	646,248	112,199	65,948,443	112,201	18,805,730
\$1,000,000 or more	6,677	69,989	18,110	71,867	171,608	334,340	61,076	149,159,834	61,076	42,245,550
Total taxable returns	7,578,334	17,025,759	8,633,950	2,060,661	82,939,010	161,176,866	30,356,927	1,332,786,988	30,362,152	294,725,602
Total nontaxable returns	165,144	462,806	456,351	104,526	3,835,223	7,382,110	217,820	983,604	206,461	150,292

Size of adjusted gross income	Total tax credits		Income tax after credits		Alternative minimum tax		Total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(106)	(107)	(108)	(109)	(110)	(111)	(112)	(113)
Total	5,116,890	3,365,299	30,362,130	291,510,594	104,284	907,579	30,370,549	292,418,174
Under \$5,000	—	—	*11,430	*4,246	*14	*423	*11,444	*4,669
\$5,000 under \$10,000	*20,662	*2,668	248,048	95,851	*7	*161	248,055	96,012
\$10,000 under \$15,000	123,012	34,695	743,946	526,579	1,454	7,392	744,736	533,971
\$15,000 under \$20,000	328,679	80,824	1,448,217	1,666,277	1,250	9,577	1,448,801	1,675,854
\$20,000 under \$25,000	188,196	81,643	2,019,554	3,417,896	*1,357	*11,899	2,020,609	3,429,795
\$25,000 under \$30,000	320,105	124,495	2,414,624	5,761,879	2,399	8,942	2,414,978	5,770,821
\$30,000 under \$35,000	463,211	179,778	2,916,169	8,936,228	6,157	26,383	2,916,900	8,962,611
\$35,000 under \$40,000	472,950	215,146	3,030,569	11,417,221	*1,799	*2,099	3,030,570	11,419,320
\$40,000 under \$45,000	509,025	195,897	2,929,662	13,007,962	1,672	6,177	2,930,075	13,014,139
\$45,000 under \$50,000	494,049	236,085	2,579,632	13,531,952	1,736	13,977	2,579,805	13,545,928
\$50,000 under \$55,000	416,489	188,379	2,151,327	13,649,660	2,434	9,935	2,152,131	13,659,595
\$55,000 under \$60,000	342,364	158,689	1,772,135	13,235,795	1,772	6,885	1,772,520	13,242,680
\$60,000 under \$75,000	626,003	295,171	3,435,682	32,633,389	9,913	20,844	3,436,120	32,654,233
\$75,000 under \$100,000	387,854	282,355	2,277,908	31,448,846	14,881	54,327	2,278,225	31,503,173
\$100,000 under \$200,000	278,237	328,880	1,679,491	44,630,714	33,585	188,641	1,681,008	44,819,356
\$200,000 under \$500,000	99,618	319,163	530,476	37,136,249	17,348	249,783	531,116	37,386,032
\$500,000 under \$1,000,000	27,664	214,029	112,191	18,591,701	4,329	122,380	112,310	18,714,081
\$1,000,000 or more	18,772	427,402	61,068	41,818,149	2,176	167,756	61,144	41,985,905
Total taxable returns	4,910,428	3,215,007	30,362,130	291,510,594	104,284	907,579	30,370,549	292,418,174
Total nontaxable returns	206,461	150,292	—	—	—	—	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based.
 NOTE: Detail may not add to total because of rounding.

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Estimate should be used with caution because of the small number of sample returns on which it is based.
Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals.
NOTE: Detail may not add to total because of rounding.

Table 2.3—All Returns: Exemptions by Type and Number of Exemptions, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Number of exemptions	Number of exemptions for taxpayers	Exemptions for dependents				
				Total			Total income tax	
				Number of returns	Number of exemptions	Adjusted gross income less deficit	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	109,708,280	221,884,006	147,928,271	39,748,227	73,955,735	1,498,013,805	30,222,931	186,623,448
Under \$5,000	17,885,309	15,566,450	11,533,156	2,317,191	4,033,294	- 13,142,895	2,140	52,374
\$5,000 under \$10,000	15,400,920	23,179,088	16,754,753	3,636,706	6,424,335	27,784,375	155,997	28,842
\$10,000 under \$15,000	13,716,042	24,568,818	17,416,465	4,111,464	7,152,354	51,551,687	1,121,054	440,347
\$15,000 under \$20,000	11,760,230	23,408,322	15,984,554	4,099,948	7,423,767	71,566,527	3,561,091	2,927,952
\$20,000 under \$25,000	9,278,762	19,993,050	13,469,819	3,489,401	6,523,231	78,324,121	3,380,170	4,846,323
\$25,000 under \$30,000	7,517,739	17,969,036	11,599,215	3,302,819	6,369,821	90,891,836	3,257,402	6,815,599
\$30,000 under \$35,000	6,456,475	16,514,645	10,518,352	3,138,848	5,996,293	101,703,304	3,113,959	8,458,524
\$35,000 under \$40,000	5,500,125	15,169,137	9,454,177	2,947,232	5,714,960	110,590,724	2,935,261	9,891,813
\$40,000 under \$45,000	4,531,777	12,893,822	8,097,426	2,536,901	4,796,396	107,533,112	2,535,349	10,276,634
\$45,000 under \$50,000	3,732,737	10,956,610	6,898,907	2,102,224	4,057,703	99,726,198	2,101,563	10,205,183
\$50,000 under \$55,000	2,818,492	8,451,100	5,227,823	1,659,800	3,223,277	86,992,594	1,656,882	9,907,702
\$55,000 under \$60,000	2,170,626	6,535,089	4,097,222	1,286,894	2,437,866	73,800,834	1,286,207	9,033,307
\$60,000 under \$75,000	3,914,967	11,755,651	7,442,213	2,293,144	4,313,438	152,568,091	2,292,428	20,442,944
\$75,000 under \$100,000	2,520,476	7,470,231	4,763,204	1,430,194	2,707,027	121,808,524	1,428,979	18,720,355
\$100,000 under \$200,000	1,778,258	5,306,867	3,329,527	1,012,725	1,977,340	133,926,337	1,012,124	25,580,207
\$200,000 under \$500,000	548,472	1,636,005	1,014,417	296,366	621,589	87,135,635	296,062	20,372,376
\$500,000 under \$1,000,000	114,808	336,788	212,895	57,999	123,894	39,053,834	57,939	9,517,926
\$1,000,000 or more	62,065	173,296	114,146	28,370	59,150	76,198,968	28,323	19,105,041
Total taxable returns	87,135,332	177,285,900	121,569,778	30,222,931	55,716,122	1,431,540,833	30,222,931	186,623,448
Total nontaxable returns	22,572,948	44,598,106	26,358,493	9,525,296	18,239,613	66,472,972	—	—

Size of adjusted gross income	Exemptions for dependents—Continued									
	Exemptions for children at home					Exemptions for children away from home				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Total	37,287,966	67,933,613	1,421,663,592	28,224,676	176,582,492	1,017,467	1,549,783	44,234,385	918,299	6,389,887
Under \$5,000	2,187,929	3,774,630	- 12,635,488	2,089	51,398	30,284	44,772	- 366,137	41	1,474
\$5,000 under \$10,000	3,331,735	5,701,850	25,449,904	80,591	16,831	53,204	100,693	414,540	*24,703	*5,366
\$10,000 under \$15,000	3,712,172	6,285,391	46,508,056	797,271	259,381	86,309	149,840	1,100,038	62,800	51,189
\$15,000 under \$20,000	3,766,172	6,674,033	65,786,646	3,240,823	2,549,783	98,501	152,062	1,719,577	87,119	114,588
\$20,000 under \$25,000	3,207,671	5,807,757	72,000,141	3,110,336	4,336,011	95,702	135,394	2,150,675	92,165	174,044
\$25,000 under \$30,000	3,099,995	5,870,366	85,322,592	3,054,578	6,276,804	107,232	160,061	2,969,009	107,232	267,362
\$30,000 under \$35,000	2,962,879	5,544,891	96,023,778	2,939,601	7,882,705	97,664	167,142	3,156,307	96,283	293,363
\$35,000 under \$40,000	2,834,929	5,404,583	106,408,924	2,822,959	9,422,140	74,151	110,314	2,785,199	74,151	282,579
\$40,000 under \$45,000	2,407,480	4,463,671	102,115,775	2,405,928	9,654,920	82,808	112,268	3,477,242	82,808	391,412
\$45,000 under \$50,000	2,041,685	3,863,793	96,878,104	2,041,023	9,838,799	44,891	57,832	2,142,997	44,891	259,258
\$50,000 under \$55,000	1,586,821	3,014,637	83,175,382	1,584,203	9,390,279	50,174	75,291	2,627,038	49,874	344,962
\$55,000 under \$60,000	1,233,856	2,294,568	70,770,771	1,233,170	8,586,452	38,276	51,296	2,180,176	38,276	314,910
\$60,000 under \$75,000	2,206,897	4,102,639	146,800,527	2,206,480	19,632,014	58,409	77,389	3,931,089	58,109	554,404
\$75,000 under \$100,000	1,374,377	2,529,283	117,106,047	1,373,246	17,907,730	54,165	86,811	4,495,383	54,164	730,633
\$100,000 under \$200,000	970,086	1,851,628	128,289,812	969,485	24,423,507	31,485	46,310	4,137,116	31,485	824,041
\$200,000 under \$500,000	281,608	579,168	82,854,620	281,317	19,360,165	11,356	17,622	3,370,183	11,345	803,863
\$500,000 under \$1,000,000	54,870	115,564	36,912,475	54,819	8,988,328	1,889	3,088	1,273,619	1,887	316,098
\$1,000,000 or more	26,802	55,161	71,895,526	26,756	18,005,243	967	1,600	2,670,335	965	660,335
Total taxable returns	28,224,676	51,223,432	1,357,924,129	28,224,676	176,582,492	918,299	1,347,382	43,698,440	918,299	6,389,887
Total nontaxable returns	9,063,289	16,710,181	63,739,464	—	—	99,167	202,401	535,945	—	—

Size of adjusted gross income	Exemptions for dependents—Continued									
	Exemptions for parents					Exemptions for other dependents				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Total	1,466,526	1,725,034	52,754,666	1,161,695	6,657,919	1,808,127	2,747,305	49,256,807	1,245,009	5,154,398
Under \$5,000	49,912	61,375	- 469,589	38	937	92,615	152,517	- 295,385	17	137
\$5,000 under \$10,000	134,304	167,129	1,067,410	*22,128	*2,561	282,699	454,663	2,162,394	28,576	4,084
\$10,000 under \$15,000	225,309	269,554	2,830,918	136,809	64,582	315,461	447,569	3,981,451	164,179	81,349
\$15,000 under \$20,000	200,046	226,412	3,438,281	172,480	157,808	254,831	371,261	4,383,808	203,464	182,464
\$20,000 under \$25,000	174,394	215,753	3,911,239	159,117	257,218	230,294	364,327	5,189,375	217,312	314,343
\$25,000 under \$30,000	121,359	141,733	3,354,772	119,314	264,179	130,963	197,660	3,539,445	130,962	276,885
\$30,000 under \$35,000	97,653	113,682	3,145,071	90,328	252,625	116,227	170,578	3,759,522	116,226	310,218
\$35,000 under \$40,000	81,268	93,091	3,027,886	79,887	273,051	63,479	106,973	2,376,346	63,479	201,168
\$40,000 under \$45,000	82,991	98,559	3,540,189	82,931	325,024	79,708	121,898	3,376,690	79,708	325,526
\$45,000 under \$50,000	46,212	55,916	2,181,360	46,212	220,712	52,055	80,163	2,463,098	52,055	243,800
\$50,000 under \$55,000	49,340	53,063	2,580,481	48,677	308,939	51,171	80,286	2,666,192	50,507	292,865
\$55,000 under \$60,000	38,525	42,118	2,210,595	38,525	271,048	34,719	49,885	1,976,401	34,719	247,787
\$60,000 under \$75,000	68,752	74,207	4,590,872	68,752	559,274	42,036	59,203	2,786,879	42,036	381,722
\$75,000 under \$100,000	44,405	50,576	3,783,494	44,405	560,019	28,294	40,357	2,429,126	28,211	381,918
\$100,000 under \$200,000	37,341	43,800	4,870,940	37,339	912,087	23,917	35,602	3,198,639	23,917	617,450
\$200,000 under \$500,000	11,133	14,011	3,238,017	11,118	741,594	7,273	10,788	2,148,278	7,263	500,358
\$500,000 under \$1,000,000	2,365	2,720	1,643,079	2,360	390,802	1,632	2,523	1,112,841	1,627	285,667
\$1,000,000 or more	1,218	1,337	3,809,649	1,216	1,095,461	754	1,052	2,001,706	752	506,660
Total taxable returns	1,161,695	1,344,727	50,070,754	1,161,695	6,657,919	1,245,009	1,800,582	44,559,803	1,245,009	5,154,398
Total nontaxable returns	304,831	380,307	2,683,912	—	—	563,118	946,723	4,697,004	—	—

NOTE: See page 53.

Table 2.4—All Returns: Exemptions by Type, and Number of Exemptions, by Marital Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Marital status	Number of returns	Number of exemptions	Number of exemptions for taxpayers	Exemptions for dependents				
				Total			Total income tax	
				Number of returns	Number of exemptions	Adjusted gross income less deficit	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Number of returns	109,708,280	221,884,006	147,928,271	39,748,227	73,955,735	1,498,013,805	30,222,931	186,623,448
Joint returns of husbands and wives	48,149,734	151,054,907	96,314,337	27,728,749	54,740,570	1,278,406,589	23,689,762	167,582,234
Separate returns of husbands and wives								
Total	1,750,047	2,665,948	1,787,364	518,652	878,584	12,671,780	403,074	1,759,973
Spouse filing	1,699,178	2,501,441	1,682,767	493,895	818,674	12,120,751	394,478	1,710,256
Spouse not filing	50,870	164,507	104,597	24,756	59,910	551,028	8,596	49,717
Returns of heads of households	11,303,325	27,841,773	11,300,466	10,302,385	16,541,307	178,217,212	5,207,594	13,432,279
Returns of surviving spouses	94,408	247,507	94,408	94,408	153,099	2,217,902	60,153	230,717
Returns of single persons	48,410,766	40,073,871	38,431,696	1,104,034	1,642,176	26,500,322	862,348	3,618,245

Marital status	Exemptions for dependents—Continued									
	Exemptions for children at home					Exemptions for children away from home				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Number of returns	37,287,966	67,933,613	1,421,663,592	28,224,676	176,582,492	1,017,467	1,549,783	44,234,385	918,299	6,389,887
Joint returns of husbands and wives	26,974,421	52,054,214	1,240,901,577	23,027,278	162,056,072	476,504	682,381	27,145,395	451,843	3,862,783
Separate returns of husbands and wives										
Total	448,758	719,119	10,929,471	353,486	1,517,115	44,833	92,589	1,097,686	30,242	158,614
Spouse filing	427,154	676,945	10,454,003	345,184	1,474,448	44,538	91,999	1,068,974	29,947	151,565
Spouse not filing	21,603	42,173	475,469	8,301	42,668	*295	*591	*28,712	*295	*7,049
Returns of heads of households	9,348,229	14,443,352	159,460,327	4,498,377	11,701,998	63,978	104,643	2,347,683	46,825	323,944
Returns of surviving spouses	94,408	143,288	2,217,902	60,153	230,717	—	—	—	—	—
Returns of single persons	422,151	573,640	8,154,315	285,382	1,076,590	432,151	670,170	13,643,621	389,389	2,044,546

Marital status	Exemptions for dependents—Continued									
	Exemptions for parents					Exemptions for other dependents				
	Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax		Number of returns	Number of exemptions	Adjusted gross income less deficit	Total income tax	
				Number of returns	Amount				Number of returns	Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
Number of returns	1,466,526	1,725,034	52,754,666	1,161,695	6,657,919	1,808,127	2,747,305	49,256,807	1,245,009	5,154,398
Joint returns of husbands and wives	701,133	833,211	36,591,370	611,269	5,087,652	702,880	1,170,764	29,841,494	569,847	3,715,448
Separate returns of husbands and wives										
Total	13,191	13,281	369,535	10,327	53,767	24,609	53,594	630,339	16,033	79,032
Spouse filing	13,191	13,281	369,535	10,327	53,767	21,751	36,449	583,491	16,033	79,032
Spouse not filing	—	—	—	—	—	*2,858	*17,146	*46,847	—	—
Returns of heads of households	660,695	759,362	13,979,842	467,871	1,314,291	879,213	1,233,950	15,105,530	522,559	964,860
Returns of surviving spouses	*1,204	*1,204	*67,982	*1,204	*9,938	*5,740	*8,607	*76,850	*2,882	*3,937
Returns of single persons	90,303	117,977	1,745,937	71,025	192,272	195,686	280,389	3,602,593	133,689	391,121

* Estimate should be used with caution because of the small number of sample returns on which it is based
 NOTE: Detail may not add to total because of rounding

Table 3.1—Returns With Modified Taxable Income: Adjusted Gross Income, Deductions, Exemptions, Taxable Income, and Tax Items, by Type of Tax Computation by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Type of tax computation by size of adjusted gross income	Number of returns	Adjusted gross income	Taxable income	Modified taxable income	Income tax before credits, regular computation		Tax generated		Income tax before credits	
					Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Returns with regular tax computation only										
Total	89,762,105	3,024,555,482	2,064,380,718	2,067,924,382	89,653,516	415,956,559	89,762,105	415,982,779	89,762,105	417,248,663
Under \$5,000	4,805,389	12,708,492	3,115,897	3,041,581	4,708,231	454,668	4,805,389	457,202	4,805,389	457,202
\$5,000 under \$10,000	10,344,027	78,113,794	26,713,223	26,294,602	10,341,170	3,940,021	10,344,027	3,945,210	10,344,027	3,945,393
\$10,000 under \$15,000	12,418,237	155,524,777	68,742,025	68,333,540	12,409,665	10,245,763	12,418,237	10,251,695	12,418,237	10,288,523
\$15,000 under \$20,000	11,473,768	199,903,763	107,482,085	107,078,129	11,473,768	16,059,739	11,473,768	16,065,592	11,473,768	16,144,716
\$20,000 under \$25,000	9,188,760	205,848,109	123,684,949	123,461,659	9,188,760	18,699,087	9,188,760	18,703,072	9,188,760	18,763,450
\$25,000 under \$30,000	7,482,873	205,246,959	130,528,502	130,368,973	7,482,873	20,758,420	7,482,873	20,760,922	7,482,873	20,789,467
\$30,000 under \$40,000	11,915,487	413,881,011	274,485,320	274,389,216	11,915,487	44,899,111	11,915,487	44,903,297	11,915,487	44,943,532
\$40,000 under \$50,000	8,249,557	368,459,701	254,974,146	255,016,564	8,249,557	43,320,653	8,249,557	43,322,088	8,249,557	43,346,359
\$50,000 under \$75,000	8,890,133	531,891,309	382,744,533	382,847,332	8,890,133	74,786,241	8,890,133	74,781,353	8,890,133	74,986,642
\$75,000 under \$100,000	2,509,521	213,262,349	159,011,661	159,121,363	2,509,521	35,689,175	2,509,521	35,688,891	2,509,521	35,813,149
\$100,000 under \$200,000	1,765,560	234,352,468	182,240,137	182,827,399	1,765,560	47,597,346	1,765,560	47,597,181	1,765,560	47,782,484
\$200,000 under \$500,000	543,360	160,482,561	133,799,108	136,484,118	543,360	38,282,123	543,360	38,282,080	543,360	38,514,941
\$500,000 under \$1,000,000	113,870	77,269,978	67,176,398	67,989,652	113,870	19,036,635	113,870	19,036,624	113,870	19,135,571
\$1,000,000 or more	61,562	167,610,211	149,682,735	150,670,255	61,562	42,187,576	61,562	42,187,572	61,562	42,337,233
Returns with Form 8615 tax computation only										
Total	384,588	1,252,890	1,046,500	1,058,631	384,588	184,074	384,588	270,588	384,588	270,588
Under \$5,000	348,627	693,365	515,871	528,002	348,627	76,558	348,627	116,076	348,627	116,076
\$5,000 under \$10,000	*22,861	*149,055	*132,544	*132,544	*22,861	*19,875	*22,861	*38,532	*22,861	*38,532
\$10,000 under \$15,000	*2,858	*37,212	*35,783	*35,783	*2,858	*5,367	*2,858	*11,556	*2,858	*11,556
\$15,000 under \$20,000	*5,715	*98,830	*95,972	*95,972	*5,715	*14,802	*5,715	*27,516	*5,715	*27,516
\$20,000 under \$25,000	*2,858	*68,945	*67,517	*67,517	*2,858	*12,273	*2,858	*20,732	*2,858	*20,732
\$25,000 under \$30,000	—	—	—	—	—	—	—	—	—	—
\$30,000 under \$40,000	—	—	—	—	—	—	—	—	—	—
\$40,000 under \$50,000	—	—	—	—	—	—	—	—	—	—
\$50,000 under \$75,000	—	—	—	—	—	—	—	—	—	—
\$75,000 under \$100,000	*1,198	*102,458	*97,886	*97,886	*1,198	*26,939	*1,198	*27,325	*1,198	*27,325
\$100,000 under \$200,000	*295	*47,668	*45,963	*45,963	*295	*12,870	*295	*13,281	*295	*13,281
\$200,000 under \$500,000	*166	*35,016	*34,934	*34,934	*166	*9,781	*166	*9,948	*166	*9,948
\$500,000 under \$1,000,000	—	—	—	—	—	—	—	—	—	—
\$1,000,000 or more	*11	*20,340	*20,031	*20,031	*11	*5,609	*11	*5,622	*11	*5,622

Type of tax computation by size of adjusted gross income	Total credits		Income tax after credits		Alternative minimum tax		Total income tax		As a percent of		Average income tax (dollars)
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Modified taxable income		
									Adjusted gross income	Average income tax (dollars)	
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Returns with regular tax computation only											
Total	14,087,169	7,001,874	86,664,108	410,246,790	98,304	787,695	86,664,128	411,034,484	19.9	13.6	4,579
Under \$5,000	*9,960	*152	4,798,980	457,051	—	—	4,798,980	457,051	15.0	3.6	95
\$5,000 under \$10,000	711,732	113,389	9,730,481	3,832,004	**	**	9,730,481	3,832,005	14.6	4.9	370
\$10,000 under \$15,000	2,863,772	1,062,658	10,400,809	9,225,865	*665	*330	10,400,809	9,226,194	13.5	5.9	743
\$15,000 under \$20,000	2,768,951	876,749	11,123,515	15,267,968	*666	*3,089	11,123,515	15,271,056	14.3	7.6	1,331
\$20,000 under \$25,000	1,055,909	517,737	9,137,300	18,245,713	*302	*1,892	9,137,300	18,247,605	14.8	8.9	1,986
\$25,000 under \$30,000	992,579	450,806	7,456,668	20,338,661	*2,709	*6,218	7,456,668	20,344,879	15.6	9.9	2,719
\$30,000 under \$40,000	1,841,442	857,912	11,890,308	44,085,620	7,224	20,729	11,890,308	44,106,349	16.1	10.7	3,702
\$40,000 under \$50,000	1,406,791	635,195	8,244,557	42,711,164	4,986	17,079	8,244,557	42,728,243	16.8	11.6	5,179
\$50,000 under \$75,000	1,580,976	763,129	8,888,342	74,223,513	12,492	29,465	8,888,342	74,252,978	19.4	14.0	8,352
\$75,000 under \$100,000	420,392	316,750	2,509,520	35,496,399	14,564	46,314	2,509,520	35,542,713	22.3	16.7	14,163
\$100,000 under \$200,000	288,077	413,144	1,764,982	47,369,339	31,972	174,994	1,764,982	47,544,333	26.0	20.3	26,929
\$200,000 under \$500,000	99,974	317,530	543,240	38,197,411	16,514	229,573	543,261	38,426,985	28.2	23.9	70,721
\$500,000 under \$1,000,000	27,815	220,483	113,857	18,915,088	4,120	113,222	113,857	19,028,311	28.0	24.6	167,105
\$1,000,000 or more	18,798	456,240	61,549	41,880,993	2,090	144,790	61,549	42,025,783	27.9	25.1	682,660
Returns with Form 8615 tax computation only											
Total	*4	*255	384,588	270,332	—	—	384,588	270,332	25.5	21.6	703
Under \$5,000	—	—	348,627	116,076	—	—	348,627	116,076	22.0	16.7	333
\$5,000 under \$10,000	—	—	*22,861	*38,532	—	—	*22,861	*38,532	*29.1	*25.9	*1,686
\$10,000 under \$15,000	—	—	*2,858	*11,556	—	—	*2,858	*11,556	*32.3	*31.1	*4,044
\$15,000 under \$20,000	—	—	*5,715	*27,516	—	—	*5,715	*27,516	*28.7	*27.8	*4,815
\$20,000 under \$25,000	—	—	*2,858	*20,732	—	—	*2,858	*20,732	*30.7	*30.1	*7,255
\$25,000 under \$30,000	—	—	—	—	—	—	—	—	—	—	—
\$30,000 under \$40,000	—	—	—	—	—	—	—	—	—	—	—
\$40,000 under \$50,000	—	—	—	—	—	—	—	—	—	—	—
\$50,000 under \$75,000	—	—	—	—	—	—	—	—	—	—	—
\$75,000 under \$100,000	—	—	*1,198	*27,325	—	—	*1,198	*27,325	*27.9	*26.7	*22,814
\$100,000 under \$200,000	—	—	*295	*13,281	—	—	*295	*13,281	*28.9	*27.9	*44,972
\$200,000 under \$500,000	—	—	*166	*9,948	—	—	*166	*9,948	*28.5	*28.4	*60,015
\$500,000 under \$1,000,000	—	—	—	—	—	—	—	—	—	—	—
\$1,000,000 or more	*4	*255	*11	*5,367	—	—	*11	*5,367	*26.8	*26.4	*482,651

* Estimate should be used with caution because of the small number of sample returns on which it is based

** Data combined to avoid disclosure of information for specific taxpayers

NOTE: Detail may not add to total because of rounding

Table 3.2—Returns With Total Income Tax: Total Income Tax as a Percent of Adjusted Gross Income, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total income tax as a percent of adjusted gross income								
	Total			Under 5 percent			5 under 7 percent		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns	87,135,332	2,989,915,092	412,869,909	14,857,361	171,434,172	5,018,876	10,433,263	185,743,644	11,379,729
Under \$5,000	5,170,720	9,864,620	709,048	3,462,020	9,159,866	199,833	788,623	2,287,028	128,688
\$5,000 under \$10,000	9,765,882	73,036,068	3,914,612	4,393,518	29,481,458	840,708	3,278,307	26,347,788	1,604,836
\$10,000 under \$15,000	10,404,456	130,636,055	9,244,813	2,818,907	35,637,719	976,233	787,820	10,087,334	593,460
\$15,000 under \$20,000	11,129,814	194,248,667	15,305,060	2,235,761	38,364,957	1,099,866	2,007,096	34,721,514	2,119,944
\$20,000 under \$25,000	9,141,213	204,811,083	18,278,344	933,200	20,594,104	658,067	1,234,663	27,526,627	1,674,458
\$25,000 under \$30,000	7,461,750	204,667,435	20,361,642	418,387	11,343,855	392,330	820,369	22,444,190	1,378,792
\$30,000 under \$40,000	11,895,769	413,203,096	44,138,991	362,611	12,296,959	413,360	937,592	32,119,081	2,003,917
\$40,000 under \$50,000	8,249,552	368,437,697	42,768,361	140,517	6,212,278	202,992	351,464	15,703,712	982,678
\$50,000 under \$75,000	8,897,085	532,315,125	74,340,917	60,517	3,588,627	110,717	203,982	11,808,791	735,497
\$75,000 under \$100,000	2,518,463	214,024,329	35,685,329	17,839	1,507,021	41,955	16,867	1,397,202	81,501
\$100,000 under \$200,000	1,776,104	235,793,141	47,837,393	10,624	1,358,247	38,039	5,434	696,698	39,986
\$200,000 or more	724,523	408,877,777	100,285,400	3,460	1,889,082	44,776	1,045	603,679	35,973
Joint returns	41,374,252	2,090,547,723	297,225,750	5,193,295	99,808,273	3,033,497	4,776,954	126,380,124	7,779,331
Under \$5,000	5,852	—	82,082	—	—	—	—	—	—
\$5,000 under \$10,000	185,650	1,715,696	57,049	173,112	1,621,717	12,977	—	—	—
\$10,000 under \$15,000	2,235,587	28,374,341	960,033	1,923,061	23,953,739	700,097	303,164	4,305,369	238,880
\$15,000 under \$20,000	3,861,437	67,975,321	3,604,872	1,544,613	26,794,955	749,665	1,414,951	24,443,989	1,505,934
\$20,000 under \$25,000	4,082,740	91,836,836	6,466,576	697,534	15,406,414	500,500	1,000,331	22,375,400	1,352,787
\$25,000 under \$30,000	4,036,420	111,070,556	8,997,360	345,080	9,349,865	328,307	694,272	18,987,090	1,168,767
\$30,000 under \$40,000	7,980,597	279,070,181	25,373,886	307,046	10,405,820	357,845	828,251	28,475,594	1,778,522
\$40,000 under \$50,000	6,713,114	300,628,582	32,023,065	126,087	5,556,662	186,596	322,668	14,431,790	909,197
\$50,000 under \$75,000	7,861,382	471,479,611	63,340,108	50,785	2,999,349	99,116	194,374	11,228,321	700,087
\$75,000 under \$100,000	2,244,631	190,806,529	30,834,317	16,324	1,386,437	38,246	13,397	1,115,391	65,485
\$100,000 under \$200,000	1,550,466	205,569,625	40,810,519	6,958	882,479	24,932	4,948	630,726	36,427
\$200,000 or more	616,376	344,923,823	84,675,882	2,695	1,450,836	35,216	598	386,452	23,245
Nonjoint returns	45,761,080	899,367,369	115,644,159	9,664,066	71,625,899	1,985,379	5,656,308	59,363,520	3,600,398
Under \$5,000	5,164,868	12,767,998	626,966	3,462,020	9,159,866	199,833	788,623	2,287,028	128,688
\$5,000 under \$10,000	9,580,233	71,320,372	3,857,563	4,220,407	27,859,741	827,732	3,278,307	26,347,788	1,604,836
\$10,000 under \$15,000	8,168,869	102,261,714	8,284,780	895,846	11,683,979	276,136	484,656	5,781,965	354,580
\$15,000 under \$20,000	7,268,377	126,273,346	11,700,188	691,148	11,570,002	350,201	592,145	10,277,525	614,010
\$20,000 under \$25,000	5,058,472	112,974,247	11,811,767	235,666	5,187,690	157,567	234,332	5,151,227	321,671
\$25,000 under \$30,000	3,425,330	93,596,879	11,364,282	73,306	1,993,990	64,023	126,096	3,457,100	210,025
\$30,000 under \$40,000	3,915,172	134,132,915	18,765,104	55,565	1,891,139	55,515	109,341	3,643,488	225,394
\$40,000 under \$50,000	1,536,439	67,809,115	10,745,296	14,431	655,616	16,396	28,796	1,271,922	73,481
\$50,000 under \$75,000	1,035,703	60,835,514	11,000,809	9,732	589,278	11,600	9,608	580,470	35,410
\$75,000 under \$100,000	273,832	23,217,800	4,851,012	1,515	120,584	3,709	3,470	281,812	16,017
\$100,000 under \$200,000	225,638	30,223,515	7,026,874	3,666	475,768	13,107	486	65,971	3,559
\$200,000 or more	108,147	63,953,953	15,609,518	765	438,246	9,560	447	217,226	12,729

Size of adjusted gross income	Total income tax as a percent of adjusted gross income—Continued								
	7 under 10 percent			10 under 12 percent			12 under 15 percent		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All returns	24,765,706	604,986,727	52,498,087	16,128,818	482,388,868	52,675,784	9,933,831	457,432,456	61,691,659
Under \$5,000	357,611	624,587	51,931	222,160	455,080	50,300	151,453	454,190	58,512
\$5,000 under \$10,000	1,827,305	15,075,208	1,172,929	154,236	1,375,716	142,244	82,831	554,964	75,139
\$10,000 under \$15,000	6,321,202	78,627,689	6,957,593	438,589	5,813,067	617,548	25,718	309,169	42,370
\$15,000 under \$20,000	2,284,937	40,913,862	3,381,359	4,491,822	78,337,960	8,379,066	89,264	1,535,089	198,126
\$20,000 under \$25,000	3,453,446	78,057,767	6,654,482	2,583,539	56,340,798	6,391,333	897,464	21,368,676	2,699,552
\$25,000 under \$30,000	2,952,180	80,825,062	7,046,826	1,218,295	33,947,592	3,577,382	1,664,586	44,904,434	6,198,936
\$30,000 under \$40,000	4,266,308	147,920,544	12,923,868	3,503,476	122,973,607	13,321,048	896,852	31,333,421	4,211,247
\$40,000 under \$50,000	2,338,456	103,428,263	9,120,946	2,005,805	88,797,548	9,733,454	2,351,115	106,817,333	14,192,039
\$50,000 under \$75,000	869,014	49,446,718	4,304,849	1,354,823	78,536,254	8,707,778	3,098,635	184,339,224	25,002,604
\$75,000 under \$100,000	72,038	6,049,401	535,568	118,244	9,766,135	1,082,416	521,711	43,958,624	6,015,470
\$100,000 under \$200,000	20,038	2,504,884	215,374	34,163	4,081,878	457,677	145,881	17,616,877	2,421,291
\$200,000 or more	3,171	1,512,742	132,362	3,667	1,963,233	215,538	8,320	4,240,457	576,372
Joint returns	12,639,419	425,416,623	36,832,913	6,952,276	297,301,470	32,405,006	5,723,985	334,830,593	45,159,077
Under \$5,000	—	—	—	—	—	—	—	—	—
\$5,000 under \$10,000	2,858	20,675	1,572	2,858	21,438	2,280	—	—	—
\$10,000 under \$15,000	5,715	75,189	6,438	—	—	—	—	—	—
\$15,000 under \$20,000	886,655	16,463,435	1,254,428	—	—	—	8,573	153,547	20,412
\$20,000 under \$25,000	2,361,551	53,524,082	4,510,574	11,335	259,250	27,214	5,715	126,620	16,460
\$25,000 under \$30,000	2,346,814	64,277,306	5,581,473	645,492	18,322,475	1,887,251	—	—	—
\$30,000 under \$40,000	3,843,447	133,909,381	11,672,866	2,932,360	103,709,058	11,199,953	62,253	2,300,569	286,686
\$40,000 under \$50,000	2,260,885	100,059,002	8,826,058	1,894,181	83,894,437	9,188,178	2,020,597	92,404,528	12,239,252
\$50,000 under \$75,000	843,065	47,980,261	4,178,206	1,315,319	76,296,987	8,457,199	2,976,216	177,313,289	24,029,243
\$75,000 under \$100,000	67,257	5,638,007	499,300	116,755	9,634,978	1,068,205	505,244	42,568,500	5,825,189
\$100,000 under \$200,000	19,053	2,370,564	204,571	31,082	3,687,817	412,635	138,773	16,731,859	2,300,808
\$200,000 or more	2,120	1,098,722	97,427	2,895	14,755,030	162,091	6,615	3,231,679	441,027
Nonjoint returns	12,126,287	179,570,104	15,665,173	9,176,542	185,087,397	20,270,778	4,209,846	122,601,864	16,532,581
Under \$5,000	357,611	624,587	51,931	222,160	455,080	50,300	151,453	454,190	58,512
\$5,000 under \$10,000	1,824,447	15,054,533	1,171,357	151,378	1,354,278	139,964	82,831	554,964	75,139
\$10,000 under \$15,000	6,315,487	78,552,499	6,951,155	438,589	5,813,067	617,548	25,718	309,169	42,370
\$15,000 under \$20,000	1,398,283	24,450,427	2,126,931	4,491,822	78,337,960	8,379,066	80,692	1,381,542	177,714
\$20,000 under \$25,000	1,091,896	24,533,685	2,143,907	2,572,205	56,081,547	6,364,118	891,749	21,242,055	2,683,093
\$25,000 under \$30,000	605,366	16,547,756	1,465,353	572,803	15,625,116	1,690,131	1,664,586	44,904,434	6,198,936
\$30,000 under \$40,000	422,861	14,011,164	1,251,003	571,116	19,264,549	2,121,095	834,599	29,032,852	3,924,560
\$40,000 under \$50,000	77,570	3,369,260	294,888	111,623	4,903,111	545,276	330,518	14,412,804	1,952,787
\$50,000 under \$75,000	25,949	1,466,458	126,643	39,504	2,239,267	250,579	122,420	7,025,934	973,361
\$75,000 under \$100,000	4,781	411,394	36,268	1,489	131,157	14,211	16,467	1,390,124	190,281
\$100,000 under \$200,000	985	134,320	10,803	3,081	394,061	45,043	7,108	885,018	120,483
\$200,000 or more	1,051	144,021	34,935	772	488,202	53,447	1,705	1,008,778	135,345

Footnote(s) at end of table

Table 3.2—Returns With Total Income Tax: Total Income Tax as a Percent of Adjusted Gross Income, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total income tax as a percent of adjusted gross income—Continued								
	15 under 17 percent			17 under 25 percent			25 under 30 percent		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
All returns	4,653,512	258,383,618	41,283,305	5,703,605	586,082,484	121,627,501	589,422	239,625,260	63,227,784
Under \$5,000	62,867	111,726	17,751	91,443	250,026	53,249	*17,146	*63,293	*16,557
\$5,000 under \$10,000	*2,858	*15,797	*2,458	*4,240	*27,929	*6,331	*17,146	*116,013	*31,879
\$10,000 under \$15,000	—	—	—	*5,716	*72,958	*15,186	*104	*1,131	*316
\$15,000 under \$20,000	*11,430	*208,368	*33,320	..	..	..	*6,379	*111,877	*31,385
\$20,000 under \$25,000	*20,891	*505,273	*79,760	*9,237	*212,299	*41,015	*5	*101	*27
\$25,000 under \$30,000	364,369	10,546,697	1,633,130	*17,953	*508,273	*92,339	*5,279	*138,594	*36,586
\$30,000 under \$40,000	1,126,526	37,346,456	6,033,369	794,950	28,944,493	5,144,023	*5,538	*203,197	*54,063
\$40,000 under \$50,000	349,984	15,867,512	2,521,801	708,572	31,452,520	5,965,435	*3,545	*153,898	*42,964
\$50,000 under \$75,000	1,910,722	116,105,359	18,490,179	1,387,312	87,732,100	16,653,622	*2,416	*156,830	*41,024
\$75,000 under \$100,000	620,144	52,324,853	8,387,437	1,099,856	94,485,308	18,267,265	49,159	4,300,090	1,119,992
\$100,000 under \$200,000	174,327	21,151,523	3,404,658	1,204,837	161,052,696	33,908,540	175,149	26,579,067	6,960,472
\$200,000 or more	9,393	4,200,055	679,443	379,491	181,343,883	41,480,495	307,556	207,801,169	54,892,519
Joint returns	2,622,536	185,691,388	29,638,999	3,080,349	430,173,456	90,024,816	344,163	187,815,762	49,502,015
Under \$5,000	*2,858	*11,373	*1,886	..	..	..	..	..	..
\$5,000 under \$10,000	..	..	..	*1,381	*10,677	*2,135	..	..	..
\$10,000 under \$15,000	..	..	..	*2,859	*30,486	*7,559	*104	*1,131	*316
\$15,000 under \$20,000	*2,858	*51,308	*8,570	..	..	..	*664	*13,047	*3,869
\$20,000 under \$25,000	..	..	..	*664	*15,187	*3,338	*5	*101	*27
\$25,000 under \$30,000	*1,381	*36,807	*5,981	*2,385	*69,919	*15,544	*664	*18,382	*4,764
\$30,000 under \$40,000	*2,366	*91,926	*14,882	*295	*9,354	*1,911	*2,665	*103,174	*27,138
\$40,000 under \$50,000	81,451	3,962,919	605,296	*6,368	*282,065	*54,328	*783	*32,635	*8,208
\$50,000 under \$75,000	1,755,621	107,147,534	17,057,526	717,616	47,996,819	8,582,829	*20	*1,346	*387
\$75,000 under \$100,000	601,847	50,807,584	8,145,417	918,697	79,224,184	14,991,869	*3,367	*275,082	*72,331
\$100,000 under \$200,000	166,055	20,152,715	3,244,921	1,097,249	146,732,569	30,710,152	82,667	13,882,917	3,612,052
\$200,000 or more	8,100	3,429,223	554,520	332,835	155,802,196	35,655,152	253,224	173,487,947	45,772,924
Nonjoint returns	2,030,976	72,692,230	11,644,306	2,623,256	155,909,028	31,602,684	245,259	51,809,498	13,725,769
Under \$5,000	60,010	100,353	15,865	91,443	250,026	53,249	*17,146	*63,293	*16,557
\$5,000 under \$10,000	*2,858	*15,797	*2,458	*2,859	*17,252	*4,196	*17,146	*116,013	*31,879
\$10,000 under \$15,000	..	..	..	*2,857	*42,473	*7,627	..	..	..
\$15,000 under \$20,000	*8,573	*157,059	*24,750	..	..	..	*5,715	*98,830	*27,516
\$20,000 under \$25,000	*20,891	*505,273	*79,760	*8,573	*197,112	*37,677	..	..	..
\$25,000 under \$30,000	362,988	10,509,890	1,627,149	*15,568	*438,354	*76,794	*4,615	*120,212	*31,822
\$30,000 under \$40,000	1,124,160	37,254,531	6,018,488	794,654	28,935,139	5,142,112	*2,874	*100,023	*26,926
\$40,000 under \$50,000	268,533	11,904,593	1,916,505	702,203	31,170,454	5,911,107	*2,762	*121,263	*34,756
\$50,000 under \$75,000	155,101	8,957,825	1,432,653	669,696	39,735,281	8,070,793	*2,395	*155,484	*40,637
\$75,000 under \$100,000	18,297	1,517,269	242,019	181,158	15,261,124	3,275,397	45,792	4,025,008	1,047,661
\$100,000 under \$200,000	8,272	998,808	159,736	107,588	14,320,127	3,198,389	92,482	12,696,150	3,348,420
\$200,000 or more	1,293	770,832	124,923	46,656	25,541,687	5,825,343	54,332	34,313,221	9,119,595

Size of adjusted gross income	Total income tax as a percent of adjusted gross income—Continued								
	30 under 50 percent			50 under 100 percent			100 percent or more		
	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax	Number of returns	Adjusted gross income less deficit	Total income tax
	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
All returns	29,548	5,991,473	2,199,796	18,105	1,082,145	682,921	22,162	-3,235,754	584,468
Under \$5,000	..	..	..	*2,858	*2,332	*2,117	14,540	-3,543,506	130,109
\$5,000 under \$10,000	..	..	..	*2,576	*20,788	*15,972	*2,865	*20,394	*22,111
\$10,000 under \$15,000	*3,156	*40,664	*12,649	*3,154	*45,010	*26,458	*92	*1,346	*3,011
\$15,000 under \$20,000	*3	*56	*23	*176	*3,365	*2,341	*2,943	*51,601	*59,627
\$20,000 under \$25,000	*9,306	*224,657	*84,290	..	..	..	*231	*8,905	*15,345
\$25,000 under \$30,000	..	..	..	*320	*8,370	*4,774	..	..	..
\$30,000 under \$40,000	..	..	..	*1,290	*44,232	*25,025	..	..	..
\$40,000 under \$50,000	..	..	..	3	147	98	..	..	..
\$50,000 under \$75,000	4,812	288,696	107,712	*4,811	*310,364	*182,522	..	..	..
\$75,000 under \$100,000	1,777	161,710	57,483	405	37,043	30,977	*422	*36,942	*65,265
\$100,000 under \$200,000	3,410	477,022	181,205	1,688	211,809	131,336	*555	*62,441	*78,814
\$200,000 or more	7,084	4,796,669	1,756,435	823	398,686	261,301	514	126,123	210,186
Joint returns	20,089	4,885,437	1,804,892	10,812	880,363	545,850	10,373	-2,635,766	499,352
Under \$5,000	..	..	..	..	..	..	2,995	-2,914,752	80,196
\$5,000 under \$10,000	..	..	..	*2,576	*20,788	*15,972	*2,865	*20,394	*22,111
\$10,000 under \$15,000	*297	*3,445	*1,089	*296	*3,661	*2,649	*92	*1,346	*3,011
\$15,000 under \$20,000	*3	*56	*23	*176	*3,365	*2,341	*2,943	*51,601	*59,627
\$20,000 under \$25,000	*6,144	*148,969	*60,679	..	..	..	*225	*8,655	*14,562
\$25,000 under \$30,000	..	..	..	*320	*8,370	*4,774	..	..	..
\$30,000 under \$40,000	..	..	..	*1,290	*44,232	*25,025	..	..	..
\$40,000 under \$50,000	..	..	..	3	147	98	..	..	..
\$50,000 under \$75,000	4,715	283,188	105,925	*3,614	*230,483	*125,437	..	..	..
\$75,000 under \$100,000	*918	*82,628	*32,198	*402	*36,796	*30,813	*422	*36,942	*65,265
\$100,000 under \$200,000	1,901	276,250	101,519	1,462	187,079	116,551	*832	*160,046	*254,580
\$200,000 or more	6,110	4,090,900	1,503,458	673	345,442	222,191	..	..	..
Nonjoint returns	9,459	1,106,036	394,904	7,292	201,782	137,071	11,788	-599,988	85,116
Under \$5,000	..	..	..	*2,858	*2,332	*2,117	11,545	-628,755	49,913
\$5,000 under \$10,000	..	..	..	..	..	..	..	..	..
\$10,000 under \$15,000	*2,859	*37,219	*11,559	*2,858	*41,349	*23,810	..	..	..
\$15,000 under \$20,000	..	..	..	..	..	..	..	..	..
\$20,000 under \$25,000	*3,162	*75,687	*23,610	..	..	..	*6	*250	*783
\$25,000 under \$30,000	..	..	..	..	..	..	..	..	..
\$30,000 under \$40,000	..	..	..	..	..	..	..	..	..
\$40,000 under \$50,000	..	..	..	..	..	..	..	..	..
\$50,000 under \$75,000	*97	*5,508	*1,787	*1,198	*79,881	*57,085	..	..	..
\$75,000 under \$100,000	*859	*79,082	*25,285	3	246	164	..	..	..
\$100,000 under \$200,000	*1,509	*200,772	*79,686	*226	*24,729	*14,785	*237	*28,517	*34,420
\$200,000 or more	974	707,769	252,977	151	53,244	39,110	..	..	..

* Estimate should be used with caution because of the small number of sample returns on which it is based

** Data combined to avoid disclosure of information for specific taxpayers

NOTE: Detail may not add to total because of rounding

Table 3.3—All Returns: Tax Liability, Tax Credits, and Taxpayments, by Size of Adjusted Gross Income
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total tax liability			Total tax credits			Total			Personal credits			Credit for the elderly and disabled
	All returns	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)			
All returns, total	109,708,280	89,001,467	430,733,154	14,099,023	7,047,140	13,174,255	5,012,595	9,023,458	3,812,849	356,973	68,904		
No adjusted gross income	835,420	122,050	277,451	17	999	†	†	†	†	†	†		
\$1 under \$1,000	3,126,849	953,342	63,610	*3,551	*11	—	—	—	—	—	—		
\$1,000 under \$2,000	3,867,063	1,230,577	121,065	—	—	—	—	—	—	—	—		
\$2,000 under \$3,000	3,589,370	1,021,793	127,926	*3,551	*50	—	—	—	—	—	—		
\$3,000 under \$4,000	3,347,791	1,510,364	237,560	—	—	—	—	—	—	—	—		
\$4,000 under \$5,000	3,118,816	1,082,262	315,120	*2,858	*91	†	†	—	—	—	—		
\$5,000 under \$6,000	3,083,053	2,060,338	515,268	31,177	1,601	27,110	1,259	—	—	†	†		
\$6,000 under \$7,000	3,134,576	2,100,524	669,624	68,261	5,221	64,709	5,217	—	†	42,582	4,264		
\$7,000 under \$8,000	3,139,547	2,031,683	933,917	66,823	12,725	66,823	12,725	*8,573	*1,497	42,582	8,186		
\$8,000 under \$9,000	3,051,747	2,068,396	1,167,546	209,110	25,246	194,167	22,191	39,273	5,490	30,701	6,593		
\$9,000 under \$10,000	2,991,996	2,007,704	1,329,600	340,600	70,490	334,190	67,247	32,217	18,452	37,149	8,067		
\$10,000 under \$11,000	2,857,935	2,110,380	1,554,399	428,224	116,419	406,982	114,125	155,702	41,478	32,127	8,309		
\$11,000 under \$12,000	2,704,240	1,986,810	1,692,729	537,954	148,116	525,316	145,630	132,108	38,887	31,434	5,464		
\$12,000 under \$13,000	2,725,537	2,149,880	2,044,056	565,606	223,535	539,724	221,900	169,182	63,001	22,128	7,293		
\$13,000 under \$14,000	2,802,095	2,293,935	2,372,802	670,650	297,274	658,618	288,757	225,318	92,707	*20,003	*3,601		
\$14,000 under \$15,000	2,626,234	2,243,738	2,612,157	661,337	277,314	647,562	270,116	217,751	85,110	*20,003	*4,158		
\$15,000 under \$16,000	2,598,308	2,401,339	2,935,802	707,591	267,551	686,812	260,976	220,544	89,609	*8,573	*1,566		
\$16,000 under \$17,000	2,367,239	2,235,466	2,989,034	645,868	209,684	635,472	200,982	197,501	89,466	*16,413	*2,040		
\$17,000 under \$18,000	2,456,793	2,368,434	3,509,005	741,200	186,479	722,132	175,272	233,158	105,928	*5,715	*1,815		
\$18,000 under \$19,000	2,196,171	2,152,293	3,417,219	463,654	105,942	443,385	96,071	183,374	82,451	*14,006	*3,611		
\$19,000 under \$20,000	2,141,719	2,113,900	3,772,560	210,637	107,093	192,354	93,060	186,639	89,930	—	—		
\$20,000 under \$25,000	9,278,762	9,180,537	19,611,254	1,055,909	517,737	1,015,403	487,997	1,006,830	465,054	*8,573	*2,943		
\$25,000 under \$30,000	7,517,739	7,485,865	12,693,915	992,579	450,806	943,018	402,525	932,179	394,048	—	—		
\$30,000 under \$40,000	11,956,599	11,917,748	46,418,272	1,843,807	858,593	1,720,990	694,370	1,710,471	684,950	—	—		
\$40,000 under \$50,000	8,264,514	8,252,253	44,788,345	1,406,791	635,195	1,335,633	544,670	1,332,605	540,964	—	—		
\$50,000 under \$75,000	8,904,085	8,899,268	77,537,317	1,581,207	763,206	1,456,269	638,899	1,453,210	636,607	—	—		
\$75,000 under \$100,000	2,520,476	2,518,907	37,255,570	422,410	320,489	333,569	165,032	332,974	163,727	—	—		
\$100,000 under \$200,000	1,778,258	1,776,917	49,529,473	289,856	420,277	165,759	83,996	165,175	83,943	—	—		
\$200,000 under \$500,000	548,472	548,042	39,301,656	100,901	336,653	30,006	16,342	29,812	16,291	—	—		
\$500,000 under \$1,000,000	114,808	114,727	19,289,482	27,949	224,994	4,094	2,387	4,087	2,387	—	—		
\$1,000,000 or more	62,065	61,997	42,649,414	18,943	463,350	1,297	754	1,263	747	—	—		
Taxable returns, total	87,135,332	87,135,332	429,362,362	11,001,040	5,860,700	10,215,268	4,067,149	7,855,108	3,360,772	227,272	42,239		
No adjusted gross income	5,952	5,952	120,378	**21,407	**1,986	†	†	†	†	†	†		
\$1 under \$1,000	904,855	904,855	31,272	—	—	—	—	—	—	—	—		
\$1,000 under \$2,000	1,084,349	1,084,349	91,659	—	—	—	—	—	—	—	—		
\$2,000 under \$3,000	884,236	884,236	89,943	—	—	—	—	—	—	—	—		
\$3,000 under \$4,000	1,341,720	1,341,720	169,305	—	—	—	—	—	—	—	—		
\$4,000 under \$5,000	949,608	949,608	254,445	—	—	—	—	—	—	—	—		
\$5,000 under \$6,000	1,979,501	1,979,501	475,430	—	—	—	—	—	—	—	—		
\$6,000 under \$7,000	2,019,102	2,019,102	627,580	—	—	†	†	—	—	†	†		
\$7,000 under \$8,000	1,915,160	1,915,160	874,093	26,817	4,752	26,817	*874	—	—	*11,430	*874		
\$8,000 under \$9,000	1,940,746	1,940,746	1,086,503	*26,373	*2,518	19,270	*2,327	—	—	*25,436	*3,545		
\$9,000 under \$10,000	1,911,374	1,911,374	1,267,337	31,394	5,000	27,843	3,612	—	—	*19,270	*2,327		
\$10,000 under \$11,000	2,023,118	2,023,118	1,502,095	57,732	15,581	48,465	15,290	—	—	*20,003	*2,426		
\$11,000 under \$12,000	1,916,366	1,916,366	1,631,843	43,973	15,033	41,398	14,578	*7,840	*3,706	*23,555	*6,712		
\$12,000 under \$13,000	2,080,175	2,080,175	1,978,556	129,533	66,583	126,318	66,413	*7,840	*3,467	*22,861	*3,403		
\$13,000 under \$14,000	2,195,157	2,195,157	2,280,306	244,079	122,132	237,722	119,472	*13,555	*7,030	*14,288	*4,461		
\$14,000 under \$15,000	2,189,640	2,189,640	2,553,879	371,027	155,602	363,694	154,173	40,665	237,722	*14,288	*2,292		
\$15,000 under \$16,000	2,362,514	2,362,514	2,887,413	545,810	203,865	532,068	203,275	58,543	20,157	*20,003	*4,158		
\$16,000 under \$17,000	2,194,035	2,194,035	2,943,656	566,965	162,942	562,716	160,471	131,375	48,534	*8,573	*1,566		
\$17,000 under \$18,000	2,342,965	2,342,965	3,489,740	672,806	154,583	658,889	160,471	144,673	53,285	*16,413	*2,040		
\$18,000 under \$19,000	2,131,858	2,131,858	3,379,174	442,234	89,268	427,706	84,852	189,918	83,023	*5,715	*1,815		
\$19,000 under \$20,000	2,098,442	2,098,442	3,746,110	190,884	85,678	180,924	81,961	167,695	71,231	*14,006	*3,611		
\$20,000 under \$25,000	9,141,213	9,141,213	19,525,088	1,004,450	481,593	982,010	470,762	175,208	78,832	*8,573	*2,943		
\$25,000 under \$30,000	7,461,750	7,461,750	21,646,532	966,374	409,834	928,322	391,733	973,437	366,494	—	—		
\$30,000 under \$40,000	11,895,769	11,895,769	46,376,038	1,818,628	794,435	1,710,855	690,288	919,848	360,869	—	—		
\$40,000 under \$50,000	8,249,552	8,249,552	44,782,595	1,401,791	607,788	1,335,633	544,670	1,700,336	540,964	—	—		
\$50,000 under \$75,000	8,897,085	8,897,085	77,529,716	1,579,415	758,358	1,455,606	638,299	1,332,605	540,964	—	—		
\$75,000 under \$100,000	2,518,463	2,518,463	37,253,694	422,406	320,441	333,569	165,032	**1,980,506	**899,967	—	—		
\$100,000 under \$200,000	1,776,104	1,776,104	49,529,493	289,278	401,937	165,759	83,996	—	—	—	—		
\$200,000 under \$500,000	547,869	547,869	39,300,853	100,801	330,927	30,004	16,341	—	—	—	—		
\$500,000 under \$1,000,000	114,682	114,682	19,289,355	27,936	222,206	4,094	2,387	4,087	2,387	—	—		
\$1,000,000 or more	61,972	61,972	42,649,283	18,929	447,658	1,297	754	1,263	747	—	—		
Nontaxable returns, total	22,572,948	1,866,135	1,370,791	3,097,982	1,186,441	2,958,987	945,446	1,168,349	452,077	129,701	26,665		

Footnote(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits, and Taxpayments, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Personal credits—Continued			Minimum tax credit		Foreign tax credit		General business credits		Other tax credits	
	Earned income credit used to offset income tax before credits		Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	Number of returns	(12)									
All returns, total	4,782,148		1,102,392	26,393	203,264	559,217	1,087,203	364,169	718,209	28,989	25,870
No adjusted gross income	—		—	†	—	*6	*3	*13	*975	—	—
\$1 under \$1,000	—		—	—	—	*3,551	*11	—	—	—	—
\$1,000 under \$2,000	—		—	—	—	—	—	—	—	—	—
\$2,000 under \$3,000	—		—	—	—	*3,551	*50	—	—	—	—
\$3,000 under \$4,000	—		—	—	—	—	—	—	—	—	—
\$4,000 under \$5,000	—		*91	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	*2,125		*266	—	—	—	—	*4,067	*341	—	—
\$6,000 under \$7,000	*19,270		*830	—	—	—	*4	—	—	—	—
\$7,000 under \$8,000	*15,669		*3,041	—	—	—	*192	*7,840	*2,863	—	—
\$8,000 under \$9,000	127,051		10,108	—	—	*7,103	*1,389	*2,859	*1,855	—	—
\$9,000 under \$10,000	219,886		40,728	—	—	*7,103	*85	*17,691	*2,209	—	—
\$10,000 under \$11,000	247,729		64,338	—	—	—	—	*12,638	*2,486	—	—
\$11,000 under \$12,000	410,353		101,280	—	—	*3,215	*170	*2,667	*1,464	—	—
\$12,000 under \$13,000	455,534		151,606	—	—	*7,333	*4,714	*4,700	*3,802	—	—
\$13,000 under \$14,000	561,083		192,450	—	—	*10,884	*6,423	*4,271	*775	—	—
\$14,000 under \$15,000	556,204		180,848	—	—	—	*493	*9,895	*6,081	—	—
\$15,000 under \$16,000	622,553		169,801	—	—	—	—	*12,520	*8,702	—	—
\$16,000 under \$17,000	561,250		109,465	—	—	*7,103	*1,715	*14,540	*9,491	—	—
\$17,000 under \$18,000	656,765		67,530	—	—	*14,205	*2,962	*6,063	*5,746	—	—
\$18,000 under \$19,000	323,819		10,009	—	—	*7,103	*2,443	*11,181	*11,591	*2,858	*1,163
\$19,000 under \$20,000	—		—	—	—	—	*4,381	29,092	25,327	—	—
\$20,000 under \$25,000	—		—	—	—	—	*7,740	23,301	40,463	*300	*32
\$25,000 under \$30,000	—		—	—	—	*25,388	*72,253	45,089	87,337	*2,365	*78
\$30,000 under \$40,000	—		—	†	—	78,050	28,791	30,031	60,926	*5,393	*4,610
\$40,000 under \$50,000	—		—	*1,498	*765	86,219	48,932	37,085	70,286	*2,156	*43
\$50,000 under \$75,000	—		—	*1,677	*4,279	68,373	105,290	21,596	44,499	*4,577	*809
\$75,000 under \$100,000	—		—	*1,509	*4,811	86,912	226,162	33,950	88,616	*1,724	*857
\$100,000 under \$200,000	—		—	6,660	20,021	86,912	182,248	18,914	73,646	2,892	1,482
\$200,000 under \$500,000	—		—	8,570	57,186	46,430	129,973	7,512	46,028	3,855	7,231
\$500,000 under \$1,000,000	—		—	3,288	42,402	15,031	260,778	6,656	122,700	1,596	4,204
\$1,000,000 or more	—		—	2,895	73,757	10,676	989,175	238,711	576,443	1,274	5,360
Taxable returns, total	2,684,462		638,925	26,359	202,064	535,966	989,175	238,711	576,443	28,986	25,868
No adjusted gross income	—		—	†	—	*6	*3	*5,727	*1,173	—	—
\$1 under \$1,000	—		—	—	—	—	—	—	—	—	—
\$1,000 under \$2,000	—		—	—	—	—	—	—	—	—	—
\$2,000 under \$3,000	—		—	—	—	*3,551	*50	—	—	—	—
\$3,000 under \$4,000	—		—	—	—	—	—	—	—	—	—
\$4,000 under \$5,000	—		—	—	—	—	—	—	—	—	—
\$5,000 under \$6,000	—		—	—	—	—	—	—	—	—	—
\$6,000 under \$7,000	—		—	—	—	*3,551	*4	—	—	—	—
\$7,000 under \$8,000	*1,381		*1,207	—	—	—	*192	—	—	—	—
\$8,000 under \$9,000	—		—	—	—	*7,103	*1,389	—	—	—	—
\$9,000 under \$10,000	*2,125		*283	—	—	—	*85	—	—	—	—
\$10,000 under \$11,000	*17,071		*4,873	—	—	*7,103	—	*2,575	*456	—	—
\$11,000 under \$12,000	*13,555		*7,707	—	—	—	—	*2,575	*2,328	—	—
\$12,000 under \$13,000	54,923		54,923	—	—	*3,215	*170	—	—	—	—
\$13,000 under \$14,000	214,861		105,824	—	—	*3,782	*332	—	—	—	—
\$14,000 under \$15,000	335,851		129,858	—	—	*7,333	*1,429	—	—	—	—
\$15,000 under \$16,000	520,637		153,174	—	—	*10,884	*493	—	*97	—	—
\$16,000 under \$17,000	524,909		105,135	—	—	—	—	*2,858	*2,471	—	—
\$17,000 under \$18,000	628,922		65,933	—	—	*7,103	*1,715	*6,814	*2,097	—	—
\$18,000 under \$19,000	323,819		10,009	—	—	*7,103	*2,962	*322	*291	*2,858	*1,163
\$19,000 under \$20,000	—		—	—	—	—	*2,443	*2,858	*1,274	—	—
\$20,000 under \$25,000	—		—	—	—	*7,563	*2,208	*14,577	*8,591	*300	*32
\$25,000 under \$30,000	—		—	—	—	*25,388	*7,740	*10,299	*10,282	*2,365	*78
\$30,000 under \$40,000	—		—	†	—	74,034	51,940	31,897	47,574	*5,393	*4,610
\$40,000 under \$50,000	—		—	*1,498	*765	37,635	4,267	29,273	59,044	*2,156	*43
\$50,000 under \$75,000	—		—	*1,677	*4,279	85,989	47,413	36,188	67,558	*4,577	*809
\$75,000 under \$100,000	—		—	*1,509	*4,811	68,373	105,290	21,592	44,450	*1,724	*857
\$100,000 under \$200,000	—		—	6,640	19,811	86,448	209,146	33,855	87,501	2,892	1,482
\$200,000 under \$500,000	—		—	8,559	56,790	46,361	177,020	18,887	73,547	3,852	7,229
\$500,000 under \$1,000,000	—		—	*6,179	15,021	10,664	127,561	*14,165	168,709	1,596	4,204
\$1,000,000 or more	—		—	—	—	—	245,324	—	—	1,274	5,360
Non-taxable returns, total	2,097,685		463,467	34	1,199	23,250	98,028	125,458	141,766	3	2

Footnotes(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits, and Taxpayments, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Income tax after credits			Total income tax			Alternative minimum tax			Total			Tax from reconciling prior-year investment credit				
	Number of returns	Amount	(22)	Number of returns	Amount	(24)	Number of returns	Amount	(27)	Number of returns	(28)	Amount	Number of returns	Amount	(30)	Amount	(31)
All returns, total	87,120,969	411,842,025	715	87,135,332	412,869,909	113,562	1,027,884	18,399,807	287,789	234,202	9,394	234,202	287,789	6,469	9,394	234,202	9,394
No adjusted gross income	14	715		5,952	108,837	5,940	108,122	184,846	6,469	9,394		184,846	6,469		9,394	234,202	9,394
\$1 under \$1,000	904,844	30,726		904,855	31,040	904,855	31,040	36,305	—	—		36,305	—		—	—	—
\$1,000 under \$2,000	1,084,347	89,217		1,084,349	89,331	1,084,349	89,331	37,676	—	—		37,676	—		—	—	—
\$2,000 under \$3,000	884,236	83,777		884,236	83,777	884,236	83,777	56,153	—	—		56,153	—		—	—	—
\$3,000 under \$4,000	1,341,718	157,216		1,341,720	157,267	1,341,720	157,267	93,882	—	—		93,882	—		—	—	—
\$4,000 under \$5,000	949,608	238,795		949,608	238,795	949,608	238,795	124,025	—	—		124,025	—		—	—	—
\$5,000 under \$6,000	1,979,495	376,308		1,979,501	376,454	1,979,501	376,454	189,769	—	—		189,769	—		—	—	—
\$6,000 under \$7,000	2,019,101	567,850		2,019,102	567,852	2,019,102	567,852	265,991	—	—		265,991	—		—	—	—
\$7,000 under \$8,000	1,915,160	789,638		1,915,160	789,638	1,915,160	789,638	198,358	—	—		198,358	—		—	—	—
\$8,000 under \$9,000	1,940,741	1,013,597		1,940,746	1,013,683	1,940,746	1,013,683	218,499	—	—		218,499	—		—	—	—
\$9,000 under \$10,000	1,911,374	1,166,984		1,911,374	1,166,984	1,911,374	1,166,984	222,028	—	—		222,028	—		—	—	—
\$10,000 under \$11,000	2,023,012	1,381,529		2,023,118	1,381,952	2,023,118	1,381,952	293,366	—	—		293,366	—		—	—	—
\$11,000 under \$12,000	1,916,069	1,517,688		1,916,069	1,519,100	1,916,069	1,519,100	265,934	—	—		265,934	—		—	—	—
\$12,000 under \$13,000	2,079,875	1,829,596		2,080,175	1,832,371	2,080,175	1,832,371	243,609	—	—		243,609	—		—	—	—
\$13,000 under \$14,000	2,195,156	2,128,938		2,195,157	2,128,951	2,195,157	2,128,951	285,173	—	—		285,173	—		—	—	—
\$14,000 under \$15,000	2,189,554	2,379,670		2,189,640	2,382,438	2,189,640	2,382,438	245,616	—	—		245,616	—		—	—	—
\$15,000 under \$16,000	2,362,431	2,706,451		2,362,514	2,710,372	2,362,514	2,710,372	232,177	—	—		232,177	—		—	—	—
\$16,000 under \$17,000	2,193,734	2,743,356		2,194,035	2,743,404	2,194,035	2,743,404	250,594	—	—		250,594	—		—	—	—
\$17,000 under \$18,000	2,342,945	3,219,594		2,342,965	3,219,645	2,342,965	3,219,645	290,806	—	—		290,806	—		—	—	—
\$18,000 under \$19,000	2,131,773	3,164,578		2,131,858	3,165,841	2,131,858	3,165,841	251,546	—	—		251,546	—		—	—	—
\$19,000 under \$20,000	2,098,348	3,461,504		2,098,442	3,465,798	2,098,442	3,465,798	267,732	—	—		267,732	—		—	—	—
\$20,000 under \$25,000	9,140,158	18,266,445		9,141,213	18,278,344	9,141,213	18,278,344	1,097,816	—	—		1,097,816	—		—	—	—
\$25,000 under \$30,000	7,461,397	20,350,002		7,461,750	20,361,642	7,461,750	20,361,642	1,332,273	—	—		1,332,273	—		—	—	—
\$30,000 under \$40,000	11,895,037	44,110,509		11,895,769	44,138,991	11,895,769	44,138,991	2,279,281	—	—		2,279,281	—		—	—	—
\$40,000 under \$50,000	8,248,966	42,743,177		8,248,952	42,768,361	8,248,952	42,768,361	1,909,984	—	—		1,909,984	—		—	—	—
\$50,000 under \$75,000	8,895,457	47,340,917		8,897,085	74,340,917	8,897,085	74,340,917	3,196,400	—	—		3,196,400	—		—	—	—
\$75,000 under \$100,000	2,518,146	35,630,908		2,518,463	35,685,329	2,518,463	35,685,329	1,570,241	—	—		1,570,241	—		—	—	—
\$100,000 under \$200,000	1,774,587	47,647,960		1,776,104	47,687,393	1,776,104	47,687,393	1,692,080	—	—		1,692,080	—		—	—	—
\$200,000 under \$500,000	547,229	38,446,620		547,869	38,699,740	547,869	38,699,740	601,916	—	—		601,916	—		—	—	—
\$500,000 under \$1,000,000	114,564	19,040,602		116,682	19,162,981	116,682	19,162,981	126,500	—	—		126,500	—		—	—	—
\$1,000,000 or more	61,896	42,254,821		61,972	42,254,821	61,972	42,254,821	226,736	—	—		226,736	—		—	—	—
Taxable returns, total	87,120,969	411,842,025	715	87,135,332	412,869,909	113,562	1,027,884	16,492,454	266,151	224,081	3,204	16,492,454	266,151	1,442	3,204	224,081	3,204
No adjusted gross income	14	715		5,952	108,837	5,940	108,837	11,541	—	—		11,541	—		—	—	—
\$1 under \$1,000	904,844	30,726		904,855	31,040	904,855	31,040	232	—	—		232	—		—	—	—
\$1,000 under \$2,000	1,084,347	89,217		1,084,349	89,331	1,084,349	89,331	6,166	—	—		6,166	—		—	—	—
\$2,000 under \$3,000	884,236	83,777		884,236	83,777	884,236	83,777	12,038	—	—		12,038	—		—	—	—
\$3,000 under \$4,000	1,341,718	157,216		1,341,720	157,267	1,341,720	157,267	40,891	—	—		40,891	—		—	—	—
\$4,000 under \$5,000	949,608	238,795		949,608	238,795	949,608	238,795	40,891	—	—		40,891	—		—	—	—
\$5,000 under \$6,000	1,979,495	376,308		1,979,501	376,454	1,979,501	376,454	98,976	—	—		98,976	—		—	—	—
\$6,000 under \$7,000	2,019,101	567,850		2,019,102	567,852	2,019,102	567,852	105,434	—	—		105,434	—		—	—	—
\$7,000 under \$8,000	1,915,160	789,638		1,915,160	789,638	1,915,160	789,638	116,412	—	—		116,412	—		—	—	—
\$8,000 under \$9,000	1,940,741	1,013,597		1,940,746	1,013,683	1,940,746	1,013,683	125,398	—	—		125,398	—		—	—	—
\$9,000 under \$10,000	1,911,374	1,166,984		1,911,374	1,166,984	1,911,374	1,166,984	138,654	—	—		138,654	—		—	—	—
\$10,000 under \$11,000	2,023,012	1,381,529		2,023,118	1,381,952	2,023,118	1,381,952	120,143	—	—		120,143	—		—	—	—
\$11,000 under \$12,000	1,916,069	1,517,688		1,916,069	1,519,100	1,916,069	1,519,100	161,253	—	—		161,253	—		—	—	—
\$12,000 under \$13,000	2,079,875	1,829,596		2,080,175	1,832,371	2,080,175	1,832,371	168,532	—	—		168,532	—		—	—	—
\$13,000 under \$14,000	2,195,156	2,128,938		2,195,157	2,128,951	2,195,157	2,128,951	151,355	—	—		151,355	—		—	—	—
\$14,000 under \$15,000	2,189,554	2,379,670		2,189,640	2,382,438	2,189,640	2,382,438	167,346	—	—		167,346	—		—	—	—
\$15,000 under \$16,000	2,362,431	2,706,451		2,362,514	2,710,372	2,362,514	2,710,372	171,041	—	—		171,041	—		—	—	—
\$16,000 under \$17,000	2,193,734	2,743,356		2,194,035	2,743,404	2,194,035	2,743,404	177,041	—	—		177,041	—		—	—	—
\$17,000 under \$18,000	2,342,945	3,219,594		2,342,965	3,219,645	2,342,965	3,219,645	200,252	—	—		200,252	—		—	—	—
\$18,000 under \$19,000	2,131,773	3,164,578		2,131,858	3,165,841	2,131,858	3,165,841	257,628	—	—		257,628	—		—	—	—
\$19,000 under \$20,000	2,098,348	3,461,504		2,098,442	3,465,798	2,098,442	3,465,798	210,384	—	—		210,384	—		—	—	—
\$20,000 under \$25,000	9,140,158	18,266,445		9,141,213	18,278,344	9,141,213	18,278,344	1,058,491	—	—		1,058,491	—		—	—	—
\$25,000 under \$30,000	7,461,397	20,350,002		7,461,750	20,361,642	7,461,750	20,361,642	1,246,745	—	—		1,246,745	—		—	—	—
\$30,000 under \$40,000	11,895,037	44,110,509		11,895,769	44,138,991	11,895,769	44,138,991	1,013,478	—	—		1,013,478	—		—	—	—
\$40,000 under \$50,000	8,248,966	42,743,177		8,248,952	42,768,361	8,248,952	42,768,361	2,237,048									

Footnote(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits, and Taxpayments, by Size of Adjusted Gross Income—Continued

Size of adjusted gross income	All other taxes—Continued					Social security taxes on tip income			Earned income credit used to offset other taxes		Number of returns without tax liability
	Penalty tax on individual retirement arrangements		Self-employment tax		Amount	Number of returns		Amount	Number of returns	Amount	
	(32)	(33)	(34)	(35)		(36)	(37)					(38)	(39)
All returns, total	1,951,890	853,919	11,195,247	17,264,586		138,057		20,308	1,168,925	536,562	20,706,812
No adjusted gross income	8,279	10,051	136,330	164,641		*1,199		*735	37,533	16,232	713,370
\$1 under \$1,000	—	—	59,560	36,305		—		—	*11,286	*3,735	2,173,507
\$1,000 under \$2,000	*2,858	*857	174,502	36,818		—		—	21,165	5,942	2,636,486
\$2,000 under \$3,000	*4,982	*166	200,235	55,981		—		—	44,989	12,004	2,567,577
\$3,000 under \$4,000	*7,107	*832	249,569	93,050		—		—	46,449	13,589	1,837,427
\$4,000 under \$5,000	*10,697	*4,025	202,594	92,003		*2,858		*31	44,001	19,734	2,036,555
\$5,000 under \$6,000	*2,125	*610	331,589	188,716		—		—	87,817	50,955	1,022,715
\$6,000 under \$7,000	*12,170	*4,838	255,260	152,882		—		—	92,538	56,786	1,034,053
\$7,000 under \$8,000	*7,840	*4,609	252,719	189,474		*8,573		*1,963	84,124	54,079	1,107,865
\$8,000 under \$9,000	*13,555	*2,524	257,165	214,681		*14,288		*1,292	97,612	64,636	983,351
\$9,000 under \$10,000	*5,715	*797	260,682	219,825		*5,715		*466	96,223	59,408	984,292
\$10,000 under \$11,000	*16,433	*2,075	268,380	216,342		*5,715		*592	93,608	46,565	747,555
\$11,000 under \$12,000	*20,662	*7,036	238,091	207,341		*11,430		*1,926	92,516	42,673	717,431
\$12,000 under \$13,000	*20,003	*2,395	241,603	240,471		*2,858		*743	80,507	31,924	575,657
\$13,000 under \$14,000	*17,166	*2,506	262,291	269,849		*5,715		*574	91,464	29,079	508,160
\$14,000 under \$15,000	28,222	2,446	206,616	241,879		*5,715		*1,289	58,439	15,897	382,497
\$15,000 under \$16,000	46,440	11,169	201,704	221,003		—		—	35,389	6,746	196,968
\$16,000 under \$17,000	27,399	4,035	218,045	246,331		*2,125		*227	33,957	4,963	131,774
\$17,000 under \$18,000	36,137	11,939	247,125	277,363		*5,715		*514	*12,003	*1,446	88,359
\$18,000 under \$19,000	26,084	3,302	205,478	245,981		—		—	*7,754	43,878	43,878
\$19,000 under \$20,000	39,428	6,251	227,570	300,308		*2,858		*197	—	—	27,819
\$20,000 under \$25,000	135,175	43,816	972,043	1,287,255		*15,919		*1,724	—	—	98,225
\$25,000 under \$30,000	164,019	45,486	870,693	1,280,302		*13,204		*3,220	—	—	31,874
\$30,000 under \$40,000	323,581	85,401	1,413,281	2,187,162		*17,933		*1,364	—	—	38,851
\$40,000 under \$50,000	299,306	103,898	1,046,192	1,908,738		*7,491		*1,944	—	—	12,261
\$50,000 under \$75,000	472,273	218,381	1,181,891	2,961,854		*7,850		*1,003	—	—	4,817
\$75,000 under \$100,000	119,265	87,638	434,151	1,477,448		—		—	—	—	1,569
\$100,000 under \$200,000	67,925	86,741	410,955	1,582,849		*710		*91	—	—	1,342
\$200,000 under \$500,000	13,301	49,277	130,729	530,360		*166		*355	—	—	430
\$500,000 under \$1,000,000	2,278	14,166	25,393	92,935		—		—	—	—	81
\$1,000,000 or more	1,465	36,653	12,810	44,436		*21		*57	—	—	68
Taxable returns, total	1,860,307	817,932	8,848,785	15,408,141		113,998		15,507	—	—	—
No adjusted gross income	101	409	2,023	7,842		†		†	—	—	—
\$1 under \$1,000	—	—	*2,575	*232		—		—	—	—	—
\$1,000 under \$2,000	—	—	*12,091	*2,328		—		—	—	—	—
\$2,000 under \$3,000	—	—	26,263	6,166		—		—	—	—	—
\$3,000 under \$4,000	—	—	45,834	12,038		—		—	—	—	—
\$4,000 under \$5,000	*2,125	*30	38,033	15,589		*2,858		*31	—	—	—
\$5,000 under \$6,000	—	—	172,815	98,976		—		—	—	—	—
\$6,000 under \$7,000	*5,433	*1,719	99,718	57,511		—		—	—	—	—
\$7,000 under \$8,000	*5,715	*3,043	107,840	81,211		†		†	—	—	—
\$8,000 under \$9,000	*8,573	*1,189	105,395	71,122		*8,573		*506	—	—	—
\$9,000 under \$10,000	*5,715	*797	127,223	98,635		*5,715		*466	—	—	—
\$10,000 under \$11,000	*10,697	*1,541	150,567	118,410		*2,858		*189	—	—	—
\$11,000 under \$12,000	*16,413	*4,556	136,267	106,264		—		*1,923	—	—	—
\$12,000 under \$13,000	*20,003	*2,395	148,529	143,791		—		—	—	—	—
\$13,000 under \$14,000	*11,430	*1,440	151,803	149,769		*2,858		*146	—	—	—
\$14,000 under \$15,000	*21,859	*1,972	146,145	168,178		*5,715		*1,289	—	—	—
\$15,000 under \$16,000	42,200	10,713	160,754	166,322		—		—	—	—	—
\$16,000 under \$17,000	*23,161	*3,453	177,997	196,571		*2,125		*227	—	—	—
\$17,000 under \$18,000	35,473	11,674	222,320	256,918		*5,715		*514	—	—	—
\$18,000 under \$19,000	*24,703	*2,912	186,425	208,158		—		—	—	—	—
\$19,000 under \$20,000	39,428	6,251	212,113	273,863		*2,858		*197	—	—	—
\$20,000 under \$25,000	132,113	42,722	934,399	1,202,184		*15,919		*1,724	—	—	—
\$25,000 under \$30,000	161,654	45,088	849,030	1,233,335		*13,204		*3,220	—	—	—
\$30,000 under \$40,000	319,224	81,512	1,394,632	2,148,849		*17,933		*1,364	—	—	—
\$40,000 under \$50,000	298,108	103,183	1,044,689	1,903,780		*7,491		*1,944	—	—	—
\$50,000 under \$75,000	472,268	218,372	1,180,009	2,954,276		*7,850		*1,003	—	—	—
\$75,000 under \$100,000	118,965	86,393	434,009	1,476,820		—		—	—	—	—
\$100,000 under \$200,000	67,925	86,741	410,543	1,581,887		*710		*91	—	—	—
\$200,000 under \$500,000	13,281	49,067	130,594	529,913		*166		*355	—	—	—
\$500,000 under \$1,000,000	*3,738	*50,761	25,359	92,840		—		—	—	—	—
\$1,000,000 or more	—	—	12,793	44,363		*21		*57	—	—	—
Non-taxable returns, total	91,583	35,986	2,346,462	1,856,446		*24,059		*4,801	1,168,925	536,562	20,706,812

Footnote(s) at end of table

Table 3.3—All Returns: Tax Liability, Tax Credits, and Tax Payments, by Size of Adjusted Gross Income—Continued
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Total			Income tax withheld			Estimated tax payments			Tax payments			Payment with request for extension of filing time			Excess social security taxes withheld			Credit for Federal tax on gasoline and special fuels		
	Number of returns (41)	Amount (42)		Number of returns (43)	Amount (44)		Number of returns (45)	Amount (46)		Number of returns (47)	Amount (48)		Number of returns (49)	Amount (50)		Number of returns (51)	Amount (52)				
All returns, total	100,691,733	444,343,680		93,542,541	342,220,135		12,443,029	80,328,108		1,232,645	20,603,585		953,151	847,460		955,836	317,085				
No adjusted gross income	401,811	1,091,998		248,452	498,611		87,526	437,542		30,248	108,872		2,146	2,809		80,621	39,563				
\$1 under \$1,000	1,867,823	156,567		1,789,362	113,735		67,493	35,176		8,503	6,396		19	13		9,511	1,247				
\$1,000 under \$2,000	2,878,998	358,339		2,809,291	326,631		40,571	21,985		22,042	5,677		—	—		19,247	4,047				
\$2,000 under \$3,000	2,926,094	622,416		2,856,453	557,174		61,724	54,833		22,053	9,785		—	—		8,663	—				
\$3,000 under \$4,000	2,688,682	816,654		2,586,078	725,467		112,144	79,615		14,946	10,543		—	—		8,338	1,003				
\$4,000 under \$5,000	2,519,059	964,181		2,443,272	879,164		73,217	58,183		15,679	11,732		—	—		15,796	15,102				
\$5,000 under \$6,000	2,430,903	1,147,959		2,277,478	1,011,839		173,186	129,530		5,010	4,716		175	209		12,430	1,665				
\$6,000 under \$7,000	2,547,447	1,355,273		2,409,187	1,253,480		140,667	90,183		14,203	6,429		—	—		20,565	5,182				
\$7,000 under \$8,000	2,657,463	1,664,042		2,451,566	1,461,532		248,123	188,500		12,446	9,244		—	—		17,521	4,649				
\$8,000 under \$9,000	2,580,705	1,919,611		2,307,581	1,682,201		292,565	226,795		3,088	4,044		105	352		26,761	6,571				
\$9,000 under \$10,000	2,623,277	2,181,064		2,389,113	1,937,541		277,141	231,171		9,231	4,496		11	352		35,673	7,504				
\$10,000 under \$11,000	2,564,818	2,448,504		2,336,159	2,175,043		279,318	252,939		17,671	14,565		11	352		22,242	5,958				
\$11,000 under \$12,000	2,463,217	2,620,213		2,158,170	2,261,588		351,508	336,448		17,260	13,624		—	—		38,046	8,524				
\$12,000 under \$13,000	2,548,311	3,029,214		2,284,572	2,624,305		381,300	328,258		16,558	18,776		—	—		23,319	4,832				
\$13,000 under \$14,000	2,670,638	3,489,499		2,391,476	3,021,595		367,357	459,267		7,107	6,092		3,454	1,762		13,467	2,544				
\$14,000 under \$15,000	2,508,377	3,769,079		2,261,322	3,290,503		342,027	458,287		14,879	12,922		3,454	1,762		15,020	5,605				
\$15,000 under \$16,000	2,483,044	4,028,855		2,293,954	3,547,996		308,523	465,840		12,102	11,104		2,858	2,029		9,851	1,887				
\$16,000 under \$17,000	2,304,672	3,912,735		2,108,889	3,503,461		309,677	398,265		7,330	7,042		300	734		16,906	3,232				
\$17,000 under \$18,000	2,390,020	4,192,800		2,183,766	3,986,109		481,313	596,416		19,365	24,563		664	232		28,315	6,583				
\$18,000 under \$19,000	2,122,647	4,088,481		1,921,923	3,616,480		277,854	448,721		14,802	19,187		987	787		20,729	3,306				
\$19,000 under \$20,000	2,074,677	4,557,489		1,902,160	4,004,130		256,590	498,855		17,858	41,423		11	352		28,813	13,081				
\$20,000 under \$25,000	9,087,495	23,866,188		8,460,085	21,335,826		1,143,896	2,440,731		49,720	72,314		5,079	745		81,062	16,546				
\$25,000 under \$30,000	7,454,129	25,306,054		6,987,088	22,787,877		903,778	2,349,740		57,150	139,280		1,867	83		89,754	28,425				
\$30,000 under \$40,000	11,871,232	53,341,715		11,229,089	47,989,685		1,412,135	5,044,123		110,174	274,404		7,910	2,179		104,358	31,168				
\$40,000 under \$50,000	8,203,441	49,011,375		7,788,733	43,961,439		1,050,383	4,731,845		117,502	274,711		63,940	15,915		69,323	26,621				
\$50,000 under \$75,000	8,840,294	78,641,458		8,313,635	67,783,719		1,442,964	7,032,517		147,716	539,446		386,485	213,408		79,691	27,425				
\$75,000 under \$100,000	2,503,416	35,884,511		2,262,769	27,776,539		725,693	1,134,805		129,689	766,584		218,338	192,400		27,136	13,695				
\$100,000 under \$200,000	1,759,271	44,424,831		1,504,200	28,937,992		728,085	13,218,764		166,454	2,014,954		177,322	231,950		22,695	16,278				
\$200,000 under \$500,000	543,970	34,262,803		443,224	20,059,801		281,955	1,062,415		97,874	3,016,608		58,038	114,455		6,916	8,391				
\$500,000 under \$1,000,000	114,087	16,587,595		93,193	8,384,318		69,159	5,851,943		30,476	2,312,219		13,903	35,751		1,798	2,166				
\$1,000,000 or more	61,716	34,296,175		50,304	10,724,353		43,095	12,686,476		23,308	10,841,833		9,591	31,646		1,270	3,661				
Taxable returns, total	82,991,739	435,166,300		76,868,225	334,829,941		11,508,003	78,788,840		1,121,512	20,476,708		946,674	842,338		625,442	205,925				
No adjusted gross income	4,809	140,243		3,502	35,050		2,886	53,476		219	50,557		263	615		526	545				
\$1 under \$1,000	253,599	219,302		219,302	10,590		10,590	10,887		5,715	223		—	—		—	—				
\$1,000 under \$2,000	585,077	65,496		550,786	54,348		22,863	9,245		11,430	1,903		—	—		—	—				
\$2,000 under \$3,000	694,357	132,454		662,924	112,631		31,434	14,565		11,430	5,258		—	—		—	—				
\$3,000 under \$4,000	1,180,943	340,289		1,152,365	312,921		34,293	22,319		8,573	5,024		—	—		—	—				
\$4,000 under \$5,000	830,754	357,522		816,466	341,193		14,288	8,784		10,697	7,544		—	—		—	—				
\$5,000 under \$6,000	1,725,420	874,908		1,639,538	809,623		100,450	60,028		4,988	4,634		—	—		2,577	623				
\$6,000 under \$7,000	1,732,054	1,032,600		1,641,486	961,634		105,514	67,639		9,954	3,327		—	—		—	—				
\$7,000 under \$8,000	1,700,039	1,208,907		1,557,741	1,068,452		186,461	135,189		5,340	4,493		—	—		2,575	773				
\$8,000 under \$9,000	1,741,783	1,455,005		1,558,501	1,303,852		198,060	150,508		—	—		—	—		7,275	646				
\$9,000 under \$10,000	1,746,497	1,603,612		1,574,781	1,446,571		212,737	150,198		4,249	3,718		—	—		16,676	3,125				
\$10,000 under \$11,000	1,849,471	1,932,640		1,655,786	1,703,108		242,226	218,789		9,232	8,550		—	—		—	—				
\$11,000 under \$12,000	1,754,732	2,028,216		1,497,042	1,713,994		310,276	297,115		13,754	11,616		—	—		10,133	2,193				
\$12,000 under \$13,000	1,948,603	2,439,020		1,725,751	2,105,246		284,668	317,213		12,389	14,525		—	—		13,917	5,462				
\$13,000 under \$14,000	2,113,442	2,927,407		1,867,406	2,523,784		330,432	396,923		7,107	6,092		—	—		14,368	2,036				
\$14,000 under \$15,000	2,105,337	3,329,090		1,882,552	2,914,171		311,200	398,765		12,754	11,618		3,454	1,762		5,150	608				
\$15,000 under \$16,000	2,272,800	3,793,261		2,095,659	3,347,643		290,198	431,833		8,853	9,935		2,858	2,029		7,726	1,821				
\$16,000 under \$17,000	2,148,229	3,741,388		1,967,040	3,354,662		293,254	378,212		6,364	5,496		—	—		14,331	3,018				
\$17,000 under \$18,000	2,293,056	4,353,523		2,094,866	3,868,722		285,468	459,500		18,184	21,111		—	—		21,783	4,190				
\$18,000 under \$19,000	2,069,703	4,007,057		1,878,946	3,559,099		263,719	425,874		14,802	19,187		—	—		18,915	2,896				
\$19,000 under \$20,000	2,036,384	4,475,705		1,872,822	3,947,323		267,719	476,190		17,858	41,423		—	—		21,506	10,769				
\$20,000 under \$25,000	8,975,800	23,584,787		8,374,689	21,180,439		1,124,922	2,317,868		49,420	72,284		4,413	684		71,786	13,486				

Table 3.3—All Returns: Tax Liability, Tax Credits, and Taxpayments, by Size of Adjusted Gross Income—Continued

Size of adjusted gross income	Earned income credit, refundable portion		Overpayment				Tax due at time of filing		Predetermined estimated tax penalty			
	Number of returns	Amount	Total		Refunded		Credited to 1989 estimated tax	Number of returns	Amount	Number of returns	Amount	
			Number of returns	Amount	Number of returns	Amount						
All returns, total	7,878,788	4,257,493	79,143,548	78,837,972	76,414,800	68,990,260	4,016,487	9,847,712	27,185,438	61,507,880	3,326,495	536,842
No adjusted gross income	50,197	15,635	369,456	945,338	332,146	766,548	54,011	178,790	73,008	118,186	18,850	3,030
\$1 under \$1,000	199,808	16,034	1,880,410	1,450,933	1,857,040	1,315,592	31,874	135,001	736,235	36,286	5,720	1,185
\$1,000 under \$2,000	368,171	73,716	2,842,717	407,425	2,831,287	404,214	22,861	3,212	708,558	96,700	2,660	264
\$2,000 under \$3,000	387,024	119,056	2,845,385	703,220	2,819,649	685,029	28,894	18,191	442,055	89,761	1,473	87
\$3,000 under \$4,000	412,059	183,051	2,573,322	876,981	2,544,088	688,969	54,134	18,012	453,754	115,158	7,109	321
\$4,000 under \$5,000	449,142	254,772	2,409,524	1,006,699	2,384,613	994,390	34,143	12,309	345,580	104,190	3,324	1,324
\$5,000 under \$6,000	522,173	342,787	2,279,631	1,133,855	2,258,213	1,110,330	47,731	23,525	558,905	159,643	3,746	1,266
\$6,000 under \$7,000	626,630	471,152	2,345,522	1,313,011	2,315,640	1,297,379	79,118	35,632	623,761	157,822	36,659	1,612
\$7,000 under \$8,000	663,100	541,533	2,366,355	1,486,974	2,310,829	1,453,002	78,437	33,972	616,589	216,221	24,104	905
\$8,000 under \$9,000	546,178	432,049	2,332,347	1,403,765	2,260,756	1,360,155	99,435	43,610	558,974	221,042	25,276	1,391
\$9,000 under \$10,000	658,750	493,875	2,255,409	1,581,156	2,209,384	1,550,383	72,258	30,773	595,673	237,014	46,158	1,193
\$10,000 under \$11,000	637,323	433,899	2,209,376	1,594,545	2,148,617	1,552,958	103,673	41,587	590,724	269,878	75,389	1,337
\$11,000 under \$12,000	632,085	347,863	2,038,040	1,538,020	1,957,137	1,470,485	106,547	67,535	631,261	264,658	43,283	1,985
\$12,000 under \$13,000	533,215	223,660	2,084,539	1,502,854	2,026,065	1,459,963	88,270	43,891	621,798	298,778	55,843	4,741
\$13,000 under \$14,000	470,586	153,546	2,225,433	1,556,924	2,144,912	1,475,601	128,951	81,322	564,305	290,762	94,283	4,082
\$14,000 under \$15,000	342,060	90,560	2,076,500	1,529,110	1,979,913	1,482,882	122,799	66,228	529,239	285,082	49,046	3,454
\$15,000 under \$16,000	166,324	35,096	2,042,780	1,466,283	1,979,305	1,377,158	89,125	53,412	341,141	158,117	3,007	
\$16,000 under \$17,000	178,820	21,498	1,816,562	1,253,681	1,758,912	1,208,723	85,351	44,958	540,710	311,634	3,151	5,950
\$17,000 under \$18,000	74,015	6,851	1,920,233	1,388,377	1,870,141	1,343,153	77,283	45,224	531,127	396,545	68,753	4,814
\$18,000 under \$19,000	*22,128	*859	1,608,865	1,097,582	1,560,331	1,055,024	75,213	42,558	568,035	432,039	63,264	5,492
\$19,000 under \$20,000	—	—	1,622,526	1,204,521	1,554,416	1,130,282	88,053	74,239	519,191	427,558	74,186	7,966
\$20,000 under \$25,000	—	—	7,084,861	6,113,672	6,858,242	5,833,554	317,331	280,085	2,159,458	1,884,765	280,583	25,967
\$25,000 under \$30,000	—	—	5,557,161	5,450,857	5,388,852	5,204,440	271,034	246,417	1,944,397	1,860,502	251,938	21,784
\$30,000 under \$40,000	—	—	9,001,268	10,514,433	8,727,511	9,911,557	438,909	602,876	2,933,913	3,633,913	359,600	42,923
\$40,000 under \$50,000	—	—	5,810,169	8,013,513	5,550,465	7,519,642	380,529	493,872	2,442,660	3,839,793	379,965	49,309
\$50,000 under \$75,000	—	—	5,156,675	9,272,783	4,851,315	8,323,531	436,362	949,252	3,741,432	8,251,918	554,690	83,276
\$75,000 under \$100,000	—	—	1,290,699	3,389,043	1,159,649	2,686,919	213,480	703,124	1,224,483	4,807,398	233,765	47,296
\$100,000 under \$200,000	—	—	785,343	3,977,785	605,474	2,667,565	249,147	1,310,220	986,746	9,183,585	268,726	101,158
\$200,000 under \$500,000	—	—	232,689	2,832,532	141,852	1,497,498	115,939	1,335,033	313,032	7,934,480	92,878	63,096
\$500,000 under \$1,000,000	—	—	51,159	2,410,207	577,856	31,238	832,351	62,959	4,135,926	17,231	23,832	
\$1,000,000 or more	—	—	28,588	2,727,733	10,316	601,449	21,862	2,126,284	33,078	11,105,565	8,820	24,593
Taxable returns, total	61,088,723	66,036,192	61,088,723	66,036,192	58,588,391	56,652,081	3,650,619	9,384,111	25,884,594	60,760,085	3,169,871	526,745
No adjusted gross income	3,103	52,817	1,116	32,123	18,787	16,852	2,481	20,694	2,765	33,672	1,409	720
\$1 under \$1,000	199,300	16,064	1,806,400	1,406,027	1,857,000	1,315,592	31,874	135,001	736,235	36,286	5,720	1,185
\$1,000 under \$2,000	493,632	48,337	4,850,959	45,571	4,850,959	45,571	20,003	2,766	576,429	74,764	2,860	264
\$2,000 under \$3,000	560,090	100,327	5,488,659	93,821	5,488,659	93,821	14,288	6,507	321,289	57,816	—	—
\$3,000 under \$4,000	1,025,804	237,608	5,101,516	237,608	5,101,516	237,608	25,718	6,181	315,916	66,795	—	—
\$4,000 under \$5,000	682,966	167,101	6,74,094	167,101	6,74,094	164,806	11,430	2,295	263,784	64,743	—	—
\$5,000 under \$6,000	1,478,849	533,011	5,330,111	533,011	5,330,111	526,008	29,235	7,003	497,794	134,389	28,966	856
\$6,000 under \$7,000	1,459,021	538,978	5,389,978	538,978	5,389,978	528,939	30,615	10,039	557,223	134,907	24,213	949
\$7,000 under \$8,000	1,377,421	515,731	5,157,731	515,731	5,157,731	494,356	29,235	7,003	529,165	131,540	15,606	623
\$8,000 under \$9,000	1,463,617	551,417	5,514,417	551,417	5,514,417	527,529	29,235	7,003	574,271	184,185	21,320	1,270
\$9,000 under \$10,000	1,373,486	541,924	5,419,924	541,924	5,419,924	534,683	29,235	7,003	532,173	206,715	38,455	1,067
\$10,000 under \$11,000	1,484,083	666,869	5,426,287	666,869	5,426,287	627,129	29,235	7,003	536,073	238,926	58,383	2,603
\$11,000 under \$12,000	1,336,432	620,680	5,136,124	620,680	5,136,124	571,130	29,235	7,003	536,073	238,926	58,383	2,603
\$12,000 under \$13,000	1,488,807	728,510	5,488,807	728,510	5,488,807	692,969	29,235	7,003	536,073	238,926	58,383	2,603
\$13,000 under \$14,000	1,687,075	882,514	5,682,514	882,514	5,682,514	815,244	29,235	7,003	536,073	238,926	58,383	2,603
\$14,000 under \$15,000	1,683,137	1,030,131	5,590,436	1,030,131	5,590,436	991,994	29,235	7,003	536,073	238,926	58,383	2,603
\$15,000 under \$16,000	1,843,158	1,221,756	5,786,057	1,221,756	5,786,057	1,146,404	29,235	7,003	536,073	238,926	58,383	2,603
\$16,000 under \$17,000	1,677,105	1,084,323	5,619,454	1,084,323	5,619,454	1,043,196	29,235	7,003	536,073	238,926	58,383	2,603
\$17,000 under \$18,000	1,818,212	1,254,411	5,710,244	1,254,411	5,710,244	1,210,922	29,235	7,003	536,073	238,926	58,383	2,603
\$18,000 under \$19,000	1,566,544	1,031,165	5,518,011	1,031,165	5,518,011	988,948	29,235	7,003	536,073	238,926	58,383	2,603
\$19,000 under \$20,000	1,588,189	1,136,841	5,524,248	1,136,841	5,524,248	1,072,851	29,235	7,003	536,073	238,926	58,383	2,603
\$20,000 under \$25,000	6,988,769	5,858,149	6,766,404	5,858,149	6,766,404	5,630,561	29,235	7,003	536,073	238,926	58,383	2,603
\$25,000 under \$30,000	5,519,485	5,351,659	5,346,793	5,351,659	5,346,793	5,114,514	29,235	7,003	536,073	238,926	58,383	2,603
\$30,000 under \$40,000	8,954,349	10,362,244	8,682,810	10,362,244	8,682,810	9,792,800	29,235	7,003	536,073	238,926	58,383	2,603
\$40,000 under \$50,000	5,799,948	7,977,320	5,540,844	7,977,320	5,540,844	7,490,335	29,235	7,003	536,073	238,926	58,383	2,603
\$50,000 under \$75,000	5,151,033	9,239,641	4,847,653	9,239,641	4,847,653	8,292,016	29,235	7,003	536,073	238,926	58,383	2,603
\$75,000 under \$100,000	1,289,393	3,374,420	1,158,752	3,374,420	1,158,752	2,672,909	29,235	7,003	536,073	238,926	58,383	2,603
\$100,000 under \$200,000	783,842	3,949,697	604,000	3,949,697	604,000	2,641,226	29,235	7,003	536,073	238,926	58,383	2,603
\$200,000 under \$500,000	232,294	2,818,850	141,542	2,818,850	141,542	1,486,8						

Table 3.4—Returns With Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax was Computed
(All figures are estimates based on samples—money amounts are in thousands of dollars)

Tax rate classes	All returns									
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed				
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits		Number of returns	Income taxed at rate
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of adjusted gross income		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All marginal rates	90,186,916	3,031,603,960	2,073,889,949	1,331,100,678	417,502,019	292,246,037	411,769,989	13.6	19.9	90,186,916
15 percent	63,901,793	1,209,022,798	647,741,725	647,741,725	97,130,916	97,161,259	93,256,178	7.7	14.4	1,283,857,598
28 percent	22,226,008	1,095,564,463	809,363,401	248,560,485	153,717,377	69,596,936	152,676,114	13.9	18.9	355,233,883
33 percent	2,925,698	321,744,304	256,632,026	74,850,886	65,835,164	24,700,793	63,587,855	20.4	25.6	74,850,886
28 percent	748,828	404,019,505	359,094,166	359,094,166	100,546,365	100,546,367	99,979,508	24.7	27.8	359,094,166
Form 8615	384,588	1,252,890	1,058,631	853,416	272,197	240,683	270,332	21.6	25.5	853,416
Tax rate classes	Joint returns and returns of surviving spouses									
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed				
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Total	Income tax after credits		Number of returns
			At all rates	At marginal rate	At all rates	At marginal rate		Adjusted gross income	Modified taxable income	
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All marginal rates	42,444,543	2,110,432,061	1,455,060,353	917,330,358	300,095,144	208,974,391	296,593,545	14.1	20.4	42,444,543
15 percent	26,549,433	738,575,331	390,946,238	390,946,238	58,629,218	58,641,936	56,670,497	7.7	14.5	848,109,333
28 percent	13,455,394	799,311,614	579,516,783	179,218,819	110,226,418	50,181,269	109,334,042	13.7	18.9	259,785,719
33 percent	1,911,433	248,561,033	196,330,070	58,898,040	50,524,675	19,436,353	50,258,208	20.2	25.6	58,898,040
28 percent	528,283	323,984,083	286,267,262	286,267,262	80,714,833	80,714,833	80,330,798	24.8	27.9	286,267,262
Form 8615	—	—	—	—	—	—	—	—	—	—
Tax rate classes	Separate returns of husbands and wives									
	Classified by the highest marginal rate at which tax was computed					Classified by each rate at which tax was computed				
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Total	Income tax after credits		Number of returns
			At all rates	At marginal rate	At all rates	At marginal rate		Adjusted gross income	Modified taxable income	
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
All marginal rates	1,450,838	39,108,739	28,380,274	18,037,595	6,077,314	4,293,241	5,990,288	15.3	21.1	1,450,838
15 percent	865,263	11,671,365	6,448,152	6,448,152	966,794	967,223	936,291	8.0	14.5	1,439,843
28 percent	489,370	14,503,621	10,745,789	3,466,407	2,062,180	970,594	2,045,166	14.1	19.0	574,580
33 percent	85,210	5,785,818	4,682,777	1,619,480	1,227,345	534,428	1,231,671	21.3	26.3	85,210
28 percent	10,995	7,147,936	6,503,557	6,503,557	1,820,996	1,820,996	1,777,160	24.9	27.3	10,995
Form 8615	—	—	—	—	—	—	—	—	—	—

Footnote(s) at end of table

Table 3.4---Returns With Modified Taxable Income: Tax Classified by Both the Marginal Rate and Each Rate at Which Tax was Computed---Continued
(All figures are estimates based on samples---money amounts are in thousands of dollars)

Tax rate classes	Returns of heads of households												
	Classified by the highest marginal rate at which tax was computed												
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits				Number of returns	Income taxed at rate	Income tax generated at rate
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of					
								Adjusted gross income	Modified taxable income				
(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)		
All marginal rates	7,872,362	181,089,806	102,097,472	76,754,891	17,777,246	13,662,005	15,828,527	8.7	15.5	7,872,362	102,097,472	17,780,941	
15 percent	6,896,636	127,120,133	60,807,475	60,807,475	9,117,836	9,121,121	7,287,940	5.7	12.0	7,854,791	83,707,377	12,556,107	
28 percent	893,448	39,281,255	28,757,656	7,404,244	5,275,800	2,073,188	5,178,816	13.2	18.0	958,155	9,846,922	2,757,138	
33 percent ¹	64,707	6,756,681	5,501,319	1,512,150	1,414,924	499,010	1,413,849	20.9	25.7	64,707	1,512,150	499,010	
28 percent ¹	17,572	7,931,738	7,031,022	7,031,022	1,968,686	1,968,686	1,947,922	24.6	27.7	17,572	7,031,022	1,968,686	
Form 8615	—	—	—	—	—	—	—	—	—	—	—	—	
Tax rate classes	Returns of single persons												
	Classified by the highest marginal rate at which tax was computed												
	Number of returns	Adjusted gross income	Modified taxable income		Tax generated		Income tax after credits				Number of returns	Income taxed at rate	Income tax generated at rate
			At all rates	At marginal rate	At all rates	At marginal rate	Total	As a percent of					
								Adjusted gross income	Modified taxable income				
(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)		
All marginal rates	38,419,173	700,973,353	488,351,850	318,977,834	93,552,314	65,316,399	93,357,628	13.3	19.1	38,419,173	488,351,850	93,565,344	
15 percent	29,590,461	331,655,969	189,539,860	189,539,860	28,417,068	28,430,979	28,361,451	8.6	15.0	38,224,030	337,045,856	50,556,878	
28 percent	7,387,796	242,467,974	190,343,173	58,471,015	36,152,978	16,371,884	36,118,090	14.9	19.0	8,252,145	80,339,035	22,494,930	
33 percent ¹	864,349	60,640,772	50,117,860	12,821,217	12,668,221	4,231,002	12,684,127	20.9	25.3	864,349	12,821,217	4,231,002	
28 percent ¹	191,979	64,955,749	57,292,326	57,292,326	16,041,850	16,041,851	15,923,628	24.5	27.8	191,979	57,292,326	16,041,851	
Form 8615	384,588	1,252,890	1,058,631	853,416	272,197	240,683	270,332	21.6	25.5	384,588	853,416	240,683	

¹ For 1988, the tax rate schedules contained only two basic rates: 15 percent and 28 percent. However, taxable income over certain levels were subject to an additional 5 percent tax, making for a temporary 33 percent marginal rate. The purpose of this was to phase out the benefit of the 15 percent rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. After these benefits were phased out, the marginal tax rate reverted to 28 percent. At that point, the average tax rate was also 28 percent.

NOTE: Detail may not add to total because of rounding.

Table 3.5—Returns With Modified Taxable Income: Tax Generated by Rate and by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of adjusted gross income	Number of returns	Taxable income	Modified taxable income	Tax generated at all rates	Tax generated at specified rate					
					15 Percent			28 Percent		
					Number of returns	Modified taxable income	Tax generated at rate	Number of returns	Modified taxable income	Tax generated at rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	90,186,916	2,069,842,771	2,073,889,949	417,502,019	89,434,924	1,283,857,598	192,578,640	25,151,706	355,233,883	99,465,487
Under \$2,000	1,984,169	689,164	694,537	115,060	1,984,169	592,123	88,818	—	—	—
\$2,000 under \$4,000	2,220,239	1,485,218	1,469,505	236,661	2,217,382	1,296,363	194,454	—	—	—
\$4,000 under \$6,000	2,957,422	3,983,428	3,889,283	596,983	2,957,422	3,789,561	568,434	—	—	—
\$6,000 under \$8,000	4,017,592	9,014,049	8,879,083	1,343,329	4,017,592	8,792,643	1,318,896	—	—	—
\$8,000 under \$10,000	4,341,482	15,305,677	15,064,322	2,257,601	4,341,482	15,064,322	2,259,648	—	—	—
\$10,000 under \$12,000	4,803,554	21,169,307	21,023,229	3,151,196	4,803,554	21,023,229	3,153,484	—	—	—
\$12,000 under \$14,000	5,137,676	29,979,141	29,813,230	4,475,743	5,137,676	29,778,875	4,466,831	—	—	—
\$14,000 under \$16,000	5,004,077	37,510,185	37,296,678	5,597,446	5,004,077	37,255,694	5,588,354	*2,858	*529	*148
\$16,000 under \$18,000	4,683,976	42,095,127	41,942,815	6,289,178	4,683,976	41,942,815	6,291,422	—	—	—
\$18,000 under \$20,000	4,271,295	45,602,105	45,467,472	6,828,909	4,271,295	45,391,904	6,808,786	36,416	22,909	6,414
\$20,000 under \$25,000	9,191,617	123,752,465	123,529,176	18,717,951	9,191,617	122,063,835	18,309,575	1,206,904	1,399,253	391,791
\$25,000 under \$30,000	7,485,237	130,581,872	130,422,850	20,767,799	7,485,237	121,139,285	18,170,893	2,360,587	9,283,565	2,599,398
\$30,000 under \$40,000	11,920,216	274,610,363	274,516,460	44,922,812	11,920,216	245,677,633	36,851,645	3,497,940	28,829,119	8,072,153
\$40,000 under \$50,000	8,253,967	255,121,323	255,167,430	43,351,067	8,253,967	216,158,106	32,423,716	5,335,597	38,887,290	10,888,441
\$50,000 under \$75,000	8,897,248	383,088,855	383,206,995	74,858,442	8,897,248	251,380,069	37,707,010	8,468,028	127,026,446	35,567,405
\$75,000 under \$100,000	2,518,150	159,574,120	159,700,887	35,827,287	2,515,993	71,662,195	10,749,329	2,496,937	79,187,740	22,172,567
\$100,000 under \$200,000	1,775,165	183,252,229	183,890,978	47,882,840	1,645,361	47,706,307	7,155,946	1,640,564	66,184,441	18,531,643
\$200,000 under \$500,000	547,349	134,674,808	137,444,027	38,550,404	106,144	3,129,088	469,363	105,387	4,395,532	1,230,749
\$500,000 under \$1,000,000	114,575	67,559,945	68,453,870	19,166,602	451	11,763	1,764	427	14,977	4,193
\$1,000,000 or more	61,910	150,793,390	152,017,124	42,564,709	65	1,787	268	61	2,083	583

Size of adjusted gross income	Tax generated at specified rate—Continued								
	33 Percent ¹			28 Percent ¹			Form 8615		
	Number of returns	Modified taxable income	Tax generated at rate	Number of returns	Modified taxable income	Tax generated at rate	Number of returns	Modified taxable income	Tax generated at rate
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
Total	2,925,698	74,850,886	24,700,793	748,828	359,094,166	100,546,366	384,588	853,416	240,683
Under \$2,000	—	—	—	—	—	—	231,466	102,414	26,490
\$2,000 under \$4,000	—	—	—	—	—	—	97,158	173,142	42,970
\$4,000 under \$6,000	—	—	—	—	—	—	28,576	99,722	29,879
\$6,000 under \$8,000	—	—	—	—	—	—	*14,288	*86,440	*26,344
\$8,000 under \$10,000	—	—	—	—	—	—	—	—	—
\$10,000 under \$12,000	—	—	—	—	—	—	—	—	—
\$12,000 under \$14,000	—	—	—	—	—	—	*2,858	*34,354	*11,336
\$14,000 under \$16,000	—	—	—	—	—	—	*2,858	*40,455	*11,328
\$16,000 under \$18,000	—	—	—	—	—	—	—	—	—
\$18,000 under \$20,000	—	—	—	—	—	—	*2,858	*52,660	*15,748
\$20,000 under \$25,000	—	—	—	—	—	—	*2,858	*66,088	*20,512
\$25,000 under \$30,000	—	—	—	—	—	—	—	—	—
\$30,000 under \$40,000	*1,381	*9,708	*3,204	—	—	—	—	—	—
\$40,000 under \$50,000	57,113	122,034	40,271	—	—	—	—	—	—
\$50,000 under \$75,000	602,996	4,800,479	1,584,158	—	—	—	—	—	—
\$75,000 under \$100,000	667,305	8,543,379	2,819,315	*2,157	*210,274	*58,877	*1,198	*97,298	*27,237
\$100,000 under \$200,000	1,492,315	51,897,954	17,126,325	129,509	18,056,313	5,055,768	*295	*45,963	*13,281
\$200,000 under \$500,000	104,202	9,453,730	3,119,731	441,205	120,430,826	33,720,631	*166	*34,851	*9,935
\$500,000 under \$1,000,000	343	20,941	6,911	114,124	68,406,190	19,153,733	—	—	—
\$1,000,000 or more	42	2,660	878	61,833	151,990,563	42,557,358	*11	*20,031	*5,622

* Estimate should be used with caution because of the small number of sample returns on which it is based.

¹ For 1988, the tax rate schedules contained only two basic rates: 15 percent and 28 percent. However, taxable income over certain levels were subject to an additional 5 percent tax, making for a temporary 33 percent marginal rate. The purpose of this was to phase out the benefit of the 15 percent rate and the benefit of the deduction for personal exemptions for taxpayers and dependents. After these benefits were phased out, the marginal tax rate reverted to 28 percent—at that point, the average tax rate was also 28 percent.

NOTE: Detail may not add to total because of rounding.

Section 4

High-Income Returns: Taxable and Nontaxable*

Introduction

Each year, a small number of individual income tax returns which report income of \$200,000 or more do not show any income tax liability. Although such returns represent only a tiny fraction of all Federal income tax returns with high incomes (fewer than 1 in 800 returns), they generate a great deal of interest. Attention focuses on the features of the income tax system that seem to permit some high-income people to completely avoid Federal income tax at the same time that other taxpayers, most of whom have much lower incomes, have tax liabilities amounting to significant shares of their incomes. Information on the reasons for nontaxability of some high-income filers may provide a basis for discussing whether such features are necessary and appropriate in a broad-based income tax system.

The Tax Reform Act of 1976 required annual publication of data on individuals with high incomes, including the number of such individuals who did not pay any income tax and the importance of various tax provisions in making those individuals nontaxable [1]. The 1976 Act specified that the tax return data be tabulated using four different concepts of income [2]. The

Deficit Reduction Act of 1984 eliminated the requirement for publishing data for the two lesser-used income concepts [3]. Data for the years 1974 through 1987 have been published previously [4].

This Section contains the available high-income tax return data for 1988, with emphasis on high-income returns which are nontaxable. At the end of the text but preceding the tables are two appendices which include summaries of the definitions and concepts which are crucial to an understanding of high-income tax returns in general and nontaxable, high-income returns in particular. Appendix A, "Income Concepts: A Primer," describes and explains the differences between the two concepts used to measure income. Appendix B, "Measurement of Taxes," discusses the proper measurement of income tax burdens, explains the different treatment of the foreign tax credit, outlines the methodology used to equate the importance of exclusions and deductions as compared with tax credits, and reviews certain limitations in the data underlying this Section.

This Section includes twelve tables with data representing 1988 income tax returns, mainly

*Robert Kalish was responsible for production and table review, with assistance from William Bradley. Technical guidance was provided by Michael Strudler.

those with incomes of \$200,000 or more under one or more different concepts of income. Most of the data are shown for taxable and non-taxable returns both separately and combined.

The tables show:

- The numbers of total and high-income returns (taxable, nontaxable, and combined) separately for the expanded income and the adjusted gross income concepts (Tables 1 and 2);
- The distributions of taxable income as a percentage of total income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two different income concepts used in this Section (Tables 5 and 6);
- The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income taxes (Tables 7 and 8);
- The frequencies with which various itemized deductions and tax credits occur as certain percentages of income (Tables 9 and 10); and
- The distributions of effective tax rates, i.e., income tax as a percentage of income, for all returns and for high-income returns (Tables 11 and 12).

In addition to the data on high-income returns, the tables distribute all 1988 returns by broad income classes and cross-classify numbers of returns in each income class by each of the two income concepts. For purposes of comparison, the tables with distributions of returns by their

effective tax rates include distributions for returns other than high-income returns.

Tables 1, 3, 5, 7, 9, and 11 contain data with foreign tax credits treated as items which reduce U.S. income taxes; this is the treatment on tax returns. Tables 2, 4, 6, 8, 10, and 12 are similar to the first set of tables but treat foreign tax credits as part of the individual's income tax liability. In these tables, tax is referred to as "Modified Total Income Tax." This different treatment is explained in more detail under the heading "Foreign Tax Credits" in Appendix B.

Numbers of High-Income Tax Returns

For 1988, the number of tax returns with expanded income of at least \$200,000 was 737,659 which represented 0.67 percent of all tax returns filed. The number of tax returns with AGI of at least \$200,000 was 725,345, which represented 0.66 percent of all tax returns filed.

As the result of the inclusion in AGI since 1987 of 100 percent of long-term capital gains, the difference between the numbers of high-income returns under the two income concepts is substantially less than in years prior to 1987. That change, together with the limitations on deductions for various forms of tax-sheltered activities, makes the current definition of AGI a better measure of true economic income than it was prior to 1987.

Nontaxable High-Income Returns

For 1988, of the 737,659 income tax returns with expanded income of \$200,000 or more, 397, or 0.054 percent, had no U.S. income tax liability; and 309, or 0.042 percent, showed no worldwide income tax liability. If not for the Alternative Minimum Tax, 866 income tax returns, or 0.117 percent, would have had no U.S. income tax liability and 778, or 0.105 percent, would have had no worldwide income tax liability [5].

Of the 725,345 tax returns filed in 1989 with AGI of \$200,000 or more, 822 or 0.113 percent, reported no U.S. income tax; and 731, or 0.101 percent, had no worldwide tax liability. If not for the Alternative Minimum Tax, 1,657 income tax returns, or 0.228 percent, would have had no U.S. income tax liability and 1,566, or 0.216 percent, would have had no worldwide income tax liability.

Notes and References

- [1] Section 2123, 90 Stat. at 1915.
- [2] The concepts are: adjusted gross income (AGI), expanded income, AGI plus excluded preferences, and AGI less investment interest not in excess of investment income. See Appendix A for a discussion of AGI and expanded income.
- [3] Section 441 (90 Stat. at 815) eliminated the requirement for using AGI plus excluded preferences and AGI less investment interest not in excess of investment income.
- [4] Lerman, Allen H., "High Income Tax Returns: 1974 and 1975, A Report on High Income Taxpayers Emphasizing Tax Returns with Little or No Tax Liability", U.S. Department of Treasury, Office of Tax Analysis, March 1977, and "High Income Tax Returns: 1975 and 1976, A Report Emphasizing Nontaxable and Nearly Nontaxable Income Tax Returns", U.S. Department of Treasury, Office of Tax Analysis, August 1978.

U.S. Department of Treasury, Internal Revenue Service, *Statistics of Income--Individual Income Tax Returns*, reports for 1977 through 1982 and 1985 through 1987. (For 1977 and 1978, only the actual numbers of nontaxable, high-AGI returns have been published.)

Lerman, Allen H., "High Income Tax Returns, 1983", *Statistics of Income Bulletin*, Spring 1986, Volume 5, Number 4, pp. 31-61.

Lerman, Allen H., "High Income Returns, for 1984", *Statistics of Income Bulletin*, Spring 1987, Volume 6, Number 4, pp. 1-29.

- [5] The number of returns which would have been nontaxable if not for the Alternative Minimum Tax is the total number of high income returns less the number which had sufficient taxable income to produce a positive amount of income tax after credits.

Appendix A

Income Concepts: A Primer

This Appendix contains an explanation of the differences between the two concepts of income which are used in this Section and an outline of how these concepts differ from the ideal economic concept of income. The two major conceptual differences between the income measures are detailed, and the exact relationships between the concepts are defined.

Economic Income, the Ideal Measure

Economists generally agree that for analyzing the impact of taxes, the ideal measure of income over a particular period of time, say a year, is the value of what the individual or family consumed over that period plus the change, if any, in its net worth [A1]. For example, if during a year a family spent \$25,000 and saved \$2,000, economists would say the family had an income of \$27,000. Similarly, if the family spent \$25,000 but owned an asset such as an automobile that decreased in value by \$1,000, economists would say that the family had an income of only

\$24,000. A brief examination of the differences between income as defined by economists, often called economic income, and the adjusted gross income (AGI) concept, used for Federal income tax administration, illustrates some of the problems of measuring income, especially for high-income individuals.

Adjusted Gross Income

The concept of adjusted gross income was developed for tax administration. It has never been meant to be an accurate measure of economic income. Indeed, it is well recognized that AGI is deficient as a measure of economic income. AGI excludes certain types of income, such as interest from tax-exempt State and local Government bonds, most social security benefits, imputed rent on owner-occupied housing, and the value of many employee fringe benefits. (Beginning with 1987, unlike immediately prior years, AGI does include 100 percent of net realized long-term capital gains.) Also, while not strictly excluded from AGI, income from other activities is deferred to a later year, or indefinitely, for income tax purposes. Depreciation deductions allowed for income tax purposes that exceed the decrease in the economic value of an asset often reduce AGI below economic income early in an asset's life. The resulting lower depreciation deductions in later years may raise AGI above economic income. The net effect, however, of accelerated depreciation is to postpone taxes, perhaps indefinitely [A2].

Adjusted gross income excludes most changes in net worth, such as all accrued, but unrealized, capital gains [A3].

Even though some types of income are excluded, AGI may overstate economic income because some expenses incurred in the production of income are not deductible in the computation of AGI. Most of these expenses, however, are deductible *from* AGI in calculating taxable income, but only if the taxpayer "itemizes" deductions and then in some cases only to the

extent that the sum of all such items exceeds 2 percent of AGI. Expenses incurred in the production of income that are itemized deductions include certain expenses of employees (such as union dues, expenditures for items used on-the-job but not reimbursed by the employer, and employees' travel, meal and entertainment expenses), job-related moving expenses, and expenses attributable to a taxpayer's investments (as opposed to the active operation of a trade or business) including, but not limited to, interest expense incurred in connection with investments in securities.

Although net capital losses reduce economic income, only the first \$3,000 of net realized capital losses may be deducted in computing AGI. Any additional realized losses must be carried forward to future years.

Redefining Income

Ideally, the impact of all taxes should be measured relative to economic income. However, no accurate, detailed data on such a broadly-defined income measure are available from income tax returns (or from any other source) for a cross-section of American taxpayers. As a practical matter, any broad income measure for a large group of taxpayers must be calculated from data already available from Federal individual income tax returns. Thus, a more comprehensive income measure must start from AGI and, to the extent that data are available, must make adjustments for omitted income items and expenses that ought to be deductible in calculating economic income [A4].

Omitted Income and Accelerated Deductions

Tax returns contain information about only a portion of the income included in economic income but excluded from AGI. The omitted income that could be identified on 1988 income tax returns consisted of: interest received on tax-exempt State and local Government bonds;

current-year capital losses in excess of currently deductible amounts; payments to self-employed retirement (Keogh) and Individual Retirement Arrangement (IRA) pension savings plans; some social security benefits; and income from sources considered to be tax preferences for purposes of the alternative minimum tax. Even if no alternative minimum tax is due, such preferences are generally supposed to be reported on Form 6251, Alternative Minimum Tax Computation, which is supposed to accompany the person's income tax return [A5].

Even after including preference income which was not in AGI but which was identifiable on 1988 tax returns, several major sources of income for high-income taxpayers were still omitted [A6]:

- All accrued but unrealized income, primarily unrealized capital gains;
- Certain agricultural expenses deducted when paid, even though related income items are not includable in income until a later year;
- Imputed rental income from owner-occupied housing and from consumer durables;
- Straight-line depreciation deductions on real estate to the extent that they exceed economic depreciation;
- Income "sheltered" from taxation — primarily partnership income — through deferral of the recognition of income for tax purposes or the acceleration of deduction items (although these "sheltered" items are more limited in 1988 than previously); and
- The value of employee fringe benefits.

For real estate, the combination of a shorter life for tax purposes than the true economic life of the property and the use of accelerated depreciation methods may produce tax

depreciation deductions exceeding economic depreciation, especially in the early years of ownership. Subsequently, income may be correspondingly higher, but in the meantime, the taxpayer has had the interest-free use of the deferred taxes.

Conceptual differences between income subject to ordinary tax and income benefiting from tax-preferred treatment may also lead to some understatement of income. Because of tax benefits, individuals may be willing to accept lower rates of return on investments yielding tax-preferred income. If one views that reduction in potential income as an "implicit tax" on that income (paid in lieu of ordinary tax), then the reporting of fully taxable and tax-preferred income is not consistent. Fully taxable income is being reported on a pre-tax basis, whereas a tax-preferred income is being shown on an after-tax basis. See "Implicit Tax" in Appendix B for further discussion of this concept.

Because income sources not identifiable from tax return data are excluded, all income measures used in the data for this Section may understate economic income. As a consequence, some individuals with high economic incomes may have been omitted completely from the high-income group covered by this report. Moreover, the income of some individuals who are included may have been understated, and tax as a percentage of income (i.e., the effective tax rate) may have been overstated.

Expenses

In measuring economic income, it generally would be appropriate to deduct all expenses incurred in the production of income, including those related to any income-producing investments. Since economic income would include all investment income, including accrued capital gains and losses, it would be proper to deduct all investment expenses without limit. Investment expenses in excess of income would then represent net economic losses, roughly akin to "net operating losses" from a trade or business.

However, such a liberal deduction for investment-related expenses is not necessarily correct when all income items have not been included currently.

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in *understating* income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted all interest payments on the loan but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until such time as the income were recognized for tax purposes.

Additional problems are created when a person with a loan has both income-producing assets, such as securities, and non-income-producing assets, such as a vacation home or yacht. It is not possible to determine what portion of the interest expense should be attributed to taxable income-producing assets and, therefore, ought to be deductible against the gross receipts from such taxable assets.

As a result of these problems, it has been necessary to set arbitrary limits on the amount of investment expenses which are deductible in calculating a broader measure of income.

Investment expenses that have not been deducted in determining AGI generally can appear on a Federal individual income tax return in two places. Investment interest is taken into account in the calculation of the itemized deduction for interest. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A7]. Beginning in 1987, most of the types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2 percent of AGI. To determine expenses that

should be deductible in calculating an approximation of economic income, investment expenses have been *defined* as the entire interest deduction other than the interest paid on a home mortgage. Other investment expenses could not be determined since they could not be separated from the remainder of "miscellaneous" deductions. Hence, they have not been used in the adjustment for investment expenses.

To the extent that interest expenses do *not* exceed investment income, they have been allowed as a deduction in the computation of a broader measure of income. Investment interest expenses which do *exceed* investment income are *not* deductible in calculating the broader income measure. One consequence of this definition is that investment expenses can never turn positive investment income into investment losses. Generally, allowing investment expenses to offset all investment income is generous and tends to understate broadly-measured income. However, in some instances, limiting investment expenses to investment income may *overstate* income by disallowing genuine investment losses. This arbitrary procedure has been selected because, especially with the omission of accrued capital gains from measured income, allowing all investment expenses to be deducted would represent a mismatching of income and expenses.

Certain expenses incurred in the production of income can be identified as itemized deductions. Such expenses subtracted in the calculation of expanded income include unreimbursed employee business expenses and work-related moving expenses.

Expanded Income

The Congress has asked for high-income data to be tabulated on the basis of a measure closely approximating economic income but using only data available on tax returns. This measure is called "expanded income."

Expanded income is defined as adjusted gross income (AGI) *plus* tax preference and other income items excluded from AGI *less* investment expenses to the extent that they do not exceed investment income, and *less* other identifiable expenses incurred in the production of income. [A8]. Tax preferences considered for 1988 were tax-exempt State and local Government bond interest and, where the taxpayer filed a Form 6251, Alternative Minimum Tax Computation, all other excluded income preferences subject to the minimum tax [A9] [A10]. For individuals, the only Alternative Minimum Tax preference items of significance are the excess of accelerated depreciation over straight-line depreciation on real property and on personal property subject to a lease (for property placed in service before 1987), the excess of percentage depletion over the cost of the property, the deduction for intangible drilling costs in excess of the amounts deductible if these costs had been amortized, incentive stock options, and the appreciated portion of the value of property contributed to charitable organizations. Upward adjustments are made for nontaxable social security benefits. Downward adjustments are made for unreimbursed employee business expenses, nondeductible rental loss, and the moving expense deduction. Because expanded income is based on tax return data, it excludes items such as accrued but unrealized capital gains, straight-line depreciation on real estate in excess of economic depreciation, most employee fringe benefits, and other items mentioned above, under "Omitted Income and Accelerated Deductions."

Two Income Measures

Current law requires high-income tax return data to be selected and classified on the basis of two different definitions of income: expanded income and adjusted gross income. Expanded income is the measure which most closely approximates economic income [A11]. Expanded

income and AGI are related in the following manner [A12]:

Expanded Income

$$\begin{aligned} &= \text{Adjusted gross income} \\ &+ \text{identifiable omitted income} \\ &- \text{identifiable income production expenses} \end{aligned}$$

Adjusted Gross Income

$$\begin{aligned} &= \text{Expanded income} \\ &+ \text{identifiable income production expenses} \\ &- \text{identifiable omitted income} \end{aligned}$$

For any given taxpayer, AGI can be smaller or larger than expanded income depending on whether the amount of identifiable income excluded from AGI is larger or smaller than the identifiable expenses of producing income which are not deductible in calculating AGI.

Notes to Appendix A

[A1] This is the Haig-Simons definition of income.

[A2] For Tax Year 1988, the Internal Revenue Code defined adjusted gross income as all gross income not specifically excluded, and reduced by statutory adjustments. Among the exclusions were trade or business deductions (but generally not employee business expenses), depreciation deductions allowable for tax purposes, limited deductions for losses from the sale or exchange of property, certain deductions attributable to rents and royalty income, and deductions for contributions to individual retirement arrangements (IRA's) and self-employed retirement (Keogh) plans. In addition, gross income does not include the value of the services received

from the use of durable goods, such as imputed net rent from owner-occupied homes or from consumer durables. Finally, gross income and, hence, adjusted gross income, do not include interest on most types of State and local Government debt, most social security benefits, workers' compensation benefits, and most types of welfare benefits.

- [A3] Gross income includes only income that has been "realized." Thus, for Federal income tax purposes, accrued increases or decreases in the value of assets are generally not included in income until any gain or loss is realized by a sale or exchange.
- [A4] There have been attempts to create micro-data files that include approximations of economic income. Tax return data files have been "statistically merged", i.e., merged with information for persons having similar characteristics, with other files such as the Current Population Survey (CPS) of the Bureau of the Census. After the merge, certain additional data items that were not on either file have been "imputed" to each record of the merged file. Although such statistically merged files have proven useful for many purposes, they have only limited use—and must be used with great caution—for high-income individuals and families, each of which is likely to have more nearly unique financial and income characteristics that are not likely to be duplicated accurately through imputations or statistical merges.
- [A5] The tax preferences (obtained from Form 6251, Alternative Minimum Tax Computation) excluded from adjusted gross income, tabulated in Tables 5 and 6, include the following items: the excess of accelerated depreciation over straight-line depreciation on certain real property and property subject to a lease (for property placed in service before 1987); the excess of rapid amortization allowable on certain capital expenditures (such as pollution control facilities) over depreciation otherwise allowable; the appreciated portion of the value of property contributed to charitable organizations; the excess of percentage depletion over the "adjusted basis" of the property; unrealized gain on the exercise of stock options; and certain intangible drilling costs to the extent that they exceeded the otherwise allowable amortization deductions. Preferences from itemized deductions did not represent omitted income; hence, they were not counted as preference items in calculating a broader measure of income. The preference from tax-exempt interest from certain private activity bonds was not included since the interest for all tax-exempt State and local Government bonds was considered as omitted income.
- [A6] Omission of nontaxable social security benefits which are not shown on tax returns and certain other items is relatively unimportant for high-income taxpayers.
- [A7] Some income deferrals and accelerated expense deductions may also be involved in income or losses from rental property, from royalties, from partnerships, and from certain small business corporations, only the net amounts of which are included in adjusted gross income.
- [A8] For the sake of brevity, "investment interest to the extent that it does not exceed investment income" is called "investment interest." "Investment interest in excess of investment income" is called "excess investment interest."
- [A9] See footnote [A5].
- [A10] Beginning in 1987, taxpayers were required to report on their Federal income tax returns the amount of their tax-exempt

interest income from State and local Government bonds. However, such interest income generally was not taxable.

[A11] Because of the inclusion starting in 1988 of tax-exempt State and local Government bond interest in the calculation of "expanded income," this income concept may not be strictly comparable to "expanded income" calculated for years prior to 1987. The subtraction of unreimbursed employee business expense, nondeductible rental loss, and the moving expense deduction is to make the concept of expanded income comparable to years prior to 1987. Because of the inclusion of nontaxable social security benefits for 1988, the income concept for 1988 is not strictly comparable to expanded income calculated for 1987.

[A12] The borderline between excess and non-excess investment interest depends on the income items actually included under each income concept. Hence, the size of the investment interest adjustment differs depending on which income concept is used.

Appendix B

Measurement of Taxes

This Appendix discusses the proper measurement of income tax burdens. First, two different treatments of the foreign tax credit are explained: as a tax on income; or as an item of tax preference. Second, the concept of an implicit tax on tax preference income is discussed. Third, the Appendix includes an outline of the methodology used in the tabulations of 1988 tax return data to equate the importance of tax credits with exclusions and deductions from the income base subject to tax. Finally, certain limitations in the underlying tax return data are summarized.

Foreign Tax Credits: Worldwide Taxes on Worldwide Income

Just as income must be measured properly, so must income taxes.

U.S. income taxes are based on worldwide income. Thus, U.S. citizens and residents generally must include income on their U.S. income tax returns regardless of whether it has been generated in the United States or in a foreign country. However, when a taxpayer has foreign source income, the U.S. income tax computed on global income often may be reduced dollar-for-dollar by the amount of foreign income tax that has been paid on that foreign income. These offsets for foreign income taxes are called "foreign tax credits" [B1].

Statistics of Income (SOI) data collected as a by-product of tax administration include global income as reported on U.S. income tax returns. The SOI data, however, usually include as taxes only U.S. income taxes net of the foreign tax credits that represent offsets for foreign income tax payments. For taxpayers with income from foreign sources, this procedure understates worldwide tax liabilities and effective tax rates. Since worldwide income is reported on U.S. tax returns, a more accurate measure of the tax burden imposed on that income would be obtained if all income taxes—U.S. as well as foreign—were considered. Analysis indicates that a substantial portion of the so-called non-taxable, high-income tax returns report that large shares of their income are from non-U.S. sources and that substantial amounts of foreign income taxes have been paid on that income. Thus, it does not seem appropriate to classify such taxpayers as nontaxable or to classify foreign tax credits as special tax benefits [B2].

In order to present a more realistic picture of the number of nontaxable, high-income tax returns and the reasons they are nontaxable, several tables in this Section have been prepared by redefining income tax liability to consist of the total amount of U.S. income taxes (income taxes after credits plus the alternative minimum tax) plus the amount of foreign tax credits. Because

information on foreign tax liabilities is not readily available in tabulations from U.S. income tax returns, foreign tax credits as shown on U.S. income tax returns are used as a proxy for foreign tax liabilities. Where foreign tax rates exceed U.S. rates, and in certain other instances, foreign tax credits actually will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign taxes understates global income tax liability. In cases in which foreign tax credits are for taxes paid on income from earlier years, use of foreign tax credits may either overstate *or* understate global taxes on the current year's income.

The tables redefining tax liability to include the foreign tax credit attempt to present an approximation of the true worldwide income tax burden on worldwide income. For the vast majority of taxpayers—with high incomes or otherwise—this adjustment is irrelevant, for they have little or no foreign-source income. However, for the small proportion of taxpayers with substantial foreign income, this adjustment is important. The policy implications of a person with a very large amount of income not paying U.S. income tax certainly would be different if U.S. nontaxability were the result of the person's living and working abroad and paying substantial amounts of foreign taxes than if all income were from U.S. sources and the person paid no income tax either to the U.S. Government or to any other government.

In order to be consistent with other SOI tabulations, all tables showing nontaxability or the amount of taxability on the basis of worldwide tax liability have been duplicated by other tables with tax liability defined in the more traditional way used for tax administration purposes: U.S. income tax liability after subtracting the value of any foreign tax credits. Tables 1, 3, 5, 7, 9, and 11 contain data with foreign tax credits treated as items which reduce U.S. income tax liabilities. Tables 2, 4, 6, 8, 10, and 12 include foreign tax credits as part of the individual's income tax liability.

Implicit Tax

Income from certain tax-preferred sources is either not subject to any Federal individual income tax or benefits from reduced tax rates or the deferral of taxation, or both. To the extent that the income from such sources has been reduced because of the existence of tax preferences, the stated tax on such income understates the amount of tax effectively paid by the recipient of that income. In addition to any income tax actually paid, there is an "implicit tax" equal to the amount by which the income from that source has been reduced because of the tax preferences. Thus, the benefit to the recipient of tax-preferred income is less than the stated tax preference to the extent that the gross income from that source has been reduced in anticipation of the tax preference. As a result, an individual may be indifferent between a lower-yield, nontaxable income source and a higher-yield taxable source.

Tax-exempt income from State and local Government bonds provides the clearest example of an "implicit tax." Because of the tax exemption, the interest rate on tax-exempt bonds is generally lower than the interest rate on taxable bonds with equivalent risk and maturity. The yields between tax-exempt and taxable bonds generally differ by an amount such that the yield on the tax-exempt bonds will be about the same or slightly more than the after-tax yield on an equivalent taxable bond. In reality, the holders of tax-exempt bonds are paying an "implicit tax" which is equal to the spread between the interest rates on the tax-free bond and the equivalent taxable bond multiplied by the face value of the bonds.

The main difference between implicit tax and ordinary Federal income tax is the recipient of the tax revenue. The general fund of the Federal Government receives the ordinary Federal income tax revenue whereas the implicit tax revenue is usually divided between the payer and the recipient of the tax-preferred income. The government entity issuing a tax-exempt bond

receives part of the implicit tax in the form of reduced rates on interest paid on those bonds. For other assets producing tax-preferred income, some of the implicit tax is received by the seller of the asset in the form of a higher price reflecting the capitalized value of some of the stream of tax benefits.

No attempts have been made in this Section to measure implicit taxes. Accordingly, taxes paid and tax rates have not been adjusted to reflect implicit taxes on tax preference income.

Adjusting Income for Implicit Tax

It should also be noted that compared with income from other sources, the gross income from tax-preferred sources is understated by the amount by which that income has been reduced by the portion of the above-mentioned "implicit tax" which benefits the recipient of the income. In theory, when measuring income, it would be appropriate to "gross up" the amount of tax-preferred income received by the portion of the implicit tax on that income which has actually benefitted the recipient of the income. Since no attempt has been made to measure implicit taxes for this Section, incomes have not been increased to reflect the value of implicit taxes.

Comparing Exclusions, Deductions, Tax Credits, and Special Tax Computations

In order to compare the importance of various exclusions, deductions, tax credits, and special tax computations (such as the alternative minimum tax on tax preferences), the different types of items must be put on the same basis. One way of doing so is to calculate the size of the deduction that would reduce (or increase) income tax by the same amount as a tax credit. This amount is called the "deduction equivalent" of the tax credit.

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using ordinary tax rate

schedules, would yield the actual tax before the provision in question is considered and the actual tax after the provision. For example, the "deduction equivalent of all tax credits" is equal to the difference between "taxable income which would yield tax before credits" and "taxable income which would yield tax after credits."

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive with successive increments to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax rate bracket.

The deduction equivalents of tax credits shown in the accompanying tables were computed by assuming that deductions and exclusions reduced taxes before tax credits. As a result, the deduction equivalent of tax credits is biased upwards.

Share of Income Subject to Tax

The total impact of various deductions, exclusions, tax credits, and special tax computations can be measured only if the aggregate value of all, or groups, of these items in reducing, or increasing, income taxes is put on a comparable basis. Two often-used measures of the value of deductions and exclusions are (1) the share of income that has been excluded from tax and (2) the share of income that remains subject to tax. The latter measure can also include the impact of tax credits and special tax computations if the deduction equivalent of these items is added to taxable income defined in the ordinary manner. Doing so yields what the tables accompanying this Section call "taxable income which would yield income tax before credits," "taxable income

which would yield income tax after credits," and "taxable income which would yield total income tax." These measures could be computed directly from taxable income and from the deduction equivalents of the appropriate items. However, these measures have been computed by using the tax rate schedules to calculate the amounts of taxable income that would have been necessary (when subject to tax under the appropriate, ordinary tax rate schedule) to yield the given amounts of tax.

Unaudited Data

Tax return data used in the Statistics of Income program have been tabulated as they have been reported on tax returns filed with the Internal Revenue Service. Certain, obvious arithmetic errors have been corrected, and certain adjustments have been made to achieve consistent statistical definitions. Otherwise, the data have not been altered. In particular, the data do not reflect any changes that may have been made or that may be made in the future as a result of IRS audits. While this is true of data throughout the entire SOI program, it is of particular relevance for high-income tax returns. Because of the greater complexity of these returns, there is a higher probability of error and more scope for

disagreement about the proper interpretation of tax laws.

The fact that the data have been drawn from unaudited returns is of even greater importance for those high-income returns that are nontaxable. Almost any audit changes would make such returns taxable. Even where the tax consequences were minor, such returns would be reclassified from nontaxable to taxable, thereby changing the counts of nontaxable returns.

Note to Appendix B

- [B1] Certain amounts of income earned abroad are excluded from adjusted gross income by statute. Any foreign taxes paid on such income are not creditable against U.S. income taxes. The tables in this Section do not reflect either such excluded income or any foreign tax payments on it.
- [B2] Beginning with 1987, the number of high-income returns whose non-taxability may be attributed to foreign tax credits has been reduced substantially. The reduction appears to be attributable to changes in the foreign tax credit provisions of the Alternative Minimum Tax.

Table 1—Returns With and Without Total Income Tax: Number of Returns Classified by Size of Income Under Alternative Concepts¹

(All figures are estimates based on samples)

Size of income under alternative concepts	Size of adjusted gross income				
	Total	Under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All Returns					
Total	109,708,280	95,780,115	11,424,561	1,778,258	725,345
Size of expanded income					
Under \$50,000	95,725,610	95,263,457	458,608	2,704	842
\$50,000 under \$100,000	11,457,821	510,391	10,835,955	110,250	1,225
\$100,000 under \$200,000	1,787,190	6,044	129,403	1,625,501	26,242
\$200,000 or more	737,659	224	595	39,804	697,036
Returns With Total Income Tax					
Total	89,233,017	75,316,843	11,415,548	1,776,104	724,523
Size of expanded income					
Under \$50,000	75,265,432	74,807,671	454,917	2,341	503
\$50,000 under \$100,000	11,445,512	504,345	10,830,636	109,379	1,151
\$100,000 under \$200,000	1,784,812	4,690	†	†	26,134
\$200,000 or more	737,261	136	†	†	696,735
Returns Without Total Income Tax					
Total	20,475,262	20,463,272	9,013	2,154	822
Size of expanded income					
Under \$50,000	20,460,178	20,455,785	3,691	363	339
\$50,000 under \$100,000	12,310	6,046	5,319	871	74
\$100,000 under \$200,000	2,377	1,354	†	†	108
\$200,000 or more	397	87	†	†	301

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

¹ Returns with total income tax includes returns with income tax which is totally offset by the earned income credit

NOTE: Detail may not add to total because of rounding

Table 2—Returns With and Without Modified Total Income Tax: Number of Returns Classified by Size of Income Under Alternative Concepts¹

(All figures are estimates based on samples)

Size of income under alternative concepts	Size of adjusted gross income				
	Total	Under \$50,000	\$50,000 under \$100,000	\$100,000 under \$200,000	\$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All Returns					
Total	109,708,280	95,780,115	11,424,561	1,778,258	725,345
Size of expanded income					
Under \$50,000	95,725,610	95,263,457	458,608	2,704	842
\$50,000 under \$100,000	11,457,821	510,391	10,835,955	110,250	1,225
\$100,000 under \$200,000	1,787,190	6,044	129,403	1,625,501	26,242
\$200,000 or more	737,659	224	595	39,804	697,036
Returns With Modified Total Income Tax					
Total	89,256,268	75,339,307	11,415,778	1,776,569	724,614
Size of expanded income					
Under \$50,000	75,287,896	74,830,135	454,917	2,341	503
\$50,000 under \$100,000	11,445,742	504,345	10,830,867	109,379	1,151
\$100,000 under \$200,000	1,785,280	4,690	†	†	26,137
\$200,000 or more	737,349	136	†	†	696,823
Returns Without Modified Total Income Tax					
Total	20,452,012	20,440,808	8,783	1,690	731
Size of expanded income					
Under \$50,000	20,437,714	20,433,321	3,691	363	339
\$50,000 under \$100,000	12,079	6,046	5,088	871	74
\$100,000 under \$200,000	1,910	1,354	†	†	105
\$200,000 or more	309	87	†	†	213

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

¹ Returns with modified total income tax includes returns with income tax which is totally offset by the earned income credit

NOTE: Detail may not add to total because of rounding

Table 3—Returns With and Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Taxable Income to Specified Alternative Income

(All figures are estimates based on samples)

Specified item	Adjusted gross income			Expanded income		
	Number of returns	Percent of total	Cumulative percent of total	Number of returns	Percent of total	Cumulative percent of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	725,345	100.0	—	737,659	100.0	—
Returns without total income tax	822	0.1	—	397	0.1	—
Returns with total income tax						
Total	724,523	99.9	100.0	737,261	99.9	100.0
Ratio of taxable income to alternative income						
Under 5 percent	335	()	()	388	0.1	0.1
5 under 10 percent	461	0.1	0.1	341	()	0.1
10 under 15 percent	1,820	0.3	0.4	2,241	0.3	0.4
15 under 20 percent	665	0.1	0.5	1,128	0.2	0.6
20 under 25 percent	873	0.1	0.6	1,787	0.2	0.8
25 under 30 percent	966	0.1	0.7	1,764	0.2	1.0
30 under 35 percent	1,310	0.2	0.9	2,951	0.4	1.4
35 under 40 percent	2,843	0.4	1.3	3,618	0.5	1.9
40 under 45 percent	2,717	0.4	1.7	6,518	0.9	2.8
45 under 50 percent	3,512	0.5	2.1	6,218	0.8	3.7
50 under 60 percent	12,230	1.7	3.8	20,123	2.7	6.4
60 under 70 percent	33,137	4.6	8.4	36,584	5.0	11.3
70 under 80 percent	107,405	14.8	23.2	107,019	14.5	25.9
80 percent or more	556,249	76.8	100.0	546,581	74.1	100.0

() Less than 0.05 percent

NOTE: Detail may not add to total because of rounding.

Table 4—Returns With and Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Taxable Income to Specified Alternative Income

(All figures are estimates based on samples)

Specified item	Adjusted gross income			Expanded income		
	Number of returns	Percent of total	Cumulative percent of total	Number of returns	Percent of total	Cumulative percent of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	725,345	100.0	—	737,659	100.0	—
Returns without modified total income tax	731	0.1	—	309	()	—
Returns with modified total income tax						
Total	724,614	99.9	100.0	737,349	100.0	100.0
Ratio of taxable income to alternative income						
Under 5 percent	280	()	()	354	()	()
5 under 10 percent	245	()	0.1	113	()	0.1
10 under 15 percent	664	0.1	0.2	1,068	0.1	0.2
15 under 20 percent	554	0.1	0.2	1,031	0.1	0.3
20 under 25 percent	713	0.1	0.3	1,414	0.2	0.5
25 under 30 percent	878	0.1	0.5	1,686	0.2	0.8
30 under 35 percent	977	0.1	0.6	2,591	0.4	1.1
35 under 40 percent	2,229	0.3	0.9	3,499	0.5	1.6
40 under 45 percent	2,834	0.4	1.3	6,388	0.9	2.5
45 under 50 percent	3,399	0.5	1.8	6,317	0.9	3.3
50 under 60 percent	11,306	1.6	3.3	19,390	2.6	5.9
60 under 70 percent	32,221	4.4	7.8	35,697	4.8	10.8
70 under 80 percent	106,413	14.7	22.5	105,899	14.4	25.2
80 percent or more	561,898	77.5	100.0	551,903	74.8	100.0

() Less than 0.05 percent

NOTE: Detail may not add to total because of rounding.

Table 5—Returns With and Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits and Tax, Classified by Tax Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	Returns with adjusted gross income \$200,000 or more						Returns with expanded income \$200,000 or more					
	Total		Returns with total income tax		Returns without total income tax		Total		Returns with total income tax		Returns without total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Salaries and wages	597,022	168,646,939	596,540	168,567,626	482	79,314	592,525	166,379,050	592,301	166,324,272	223	54,778
Business or profession												
Net income	154,976	19,640,783	154,790	19,620,731	186	20,052	155,505	19,405,516	155,424	19,393,237	81	12,279
Net loss	52,890	1,693,558	52,715	1,664,689	175	28,868	53,090	1,663,781	53,037	1,653,053	53	10,727
Farm												
Net income	11,693	1,092,567	11,677	1,090,027	16	2,540	12,510	1,107,630	12,505	1,107,380	5	250
Net loss	26,616	1,364,131	26,546	1,348,188	70	15,944	26,979	1,401,272	26,945	1,385,301	34	15,971
Partnership and S Corporation net income after Section 179 property deduction												
Net income	271,888	62,719,799	271,760	62,670,345	128	49,454	273,098	62,777,902	273,036	62,732,754	62	45,148
Net loss	240,459	11,636,119	239,943	11,232,531	516	403,588	243,048	11,085,286	242,871	10,979,429	177	105,856
Sales of capital assets												
Net gain	432,050	96,712,825	431,532	96,387,259	518	325,566	446,809	96,980,079	446,626	96,909,362	183	70,717
Net loss	141,662	333,523	141,480	333,012	182	512	142,919	335,799	142,804	335,472	115	328
Sales of property other than capital assets												
Net gain	64,194	1,958,566	64,083	1,947,880	111	10,686	65,519	1,940,877	65,462	1,937,721	57	3,156
Net loss	68,295	521,396	68,171	516,814	124	4,582	68,624	519,705	68,594	518,365	30	1,340
Interest received	719,374	30,890,815	718,583	30,420,114	791	470,701	731,832	31,008,740	731,464	30,916,429	368	92,311
Tax-exempt interest	280,391	11,411,639	280,185	11,387,996	206	23,642	311,087	13,582,161	310,903	13,483,539	184	98,622
Dividends	581,781	24,327,810	581,174	24,247,604	607	80,206	597,937	25,051,078	597,637	25,014,624	300	36,454
Pensions and annuities in adjusted gross income	131,629	5,747,136	131,535	5,742,251	94	4,885	144,623	6,129,678	144,537	6,123,855	85	5,823
Rent												
Net income	139,279	5,068,654	139,118	5,055,902	161	12,752	148,233	5,261,639	148,148	5,252,914	85	8,725
Net loss (deductible and nondeductible)	182,947	3,593,037	182,663	3,560,806	284	32,231	174,435	3,097,839	174,365	3,094,197	70	3,643
Net loss (nondeductible)	120,069	1,412,052	119,900	1,401,332	169	10,720	110,163	1,101,966	110,125	1,101,083	38	883
Royalty												
Net income	62,652	1,313,156	62,518	1,308,279	134	4,877	65,876	1,387,065	65,838	1,385,164	38	1,900
Net loss	6,154	28,153	6,139	27,668	15	485	5,976	28,871	5,964	28,533	*12	*338
Estate or trust												
Net income	35,485	2,177,705	35,437	2,176,623	48	1,082	38,493	2,208,887	38,471	2,208,339	22	548
Net loss	10,663	146,732	10,644	144,248	19	2,484	11,107	141,013	11,101	140,949	6	64
State income tax refunds	364,832	2,310,900	364,567	2,305,045	265	5,855	369,600	2,316,181	369,493	2,313,982	107	2,199
Windfall profit tax refunds	717	1,633	†	†	†	†	950	1,643	†	†	†	†
Windfall profit tax withheld	2,263	1,656	2,252	1,654	11	2	2,270	1,652	2,265	1,650	5	1
Alimony received	1,979	70,928	†	†	†	†	1,978	70,914	†	†	†	†
Social security benefits in adjusted gross income	113,331	713,541	113,214	712,846	117	695	136,993	872,876	136,897	872,259	96	617
Social security benefits (nontaxable)	113,331	713,582	113,214	712,888	117	695	136,993	872,925	136,897	872,309	96	617
Unemployment compensation	3,805	10,192	3,802	10,185	3	7	3,886	10,539	†	†	†	†
Other income	158,938	7,755,066	158,743	7,732,541	195	22,525	160,989	7,711,090	160,854	7,693,774	135	17,317
Other loss	11,537	1,475,480	11,408	1,428,732	129	46,748	11,366	1,336,996	11,321	1,320,498	44	16,498
Total income	725,345	412,610,897	724,523	412,045,233	822	565,664	†	†	†	†	397	197,162
Total statutory adjustments	238,708	3,171,002	238,562	3,167,456	146	3,545	237,690	3,133,312	237,638	3,132,175	52	1,137
Employee business expense	26,759	142,585	26,752	142,501	7	84	25,449	134,327	25,446	134,254	3	72
Payments to an IRA	75,532	226,179	75,495	226,089	37	90	76,396	228,020	76,384	227,993	12	27
Payments to a Keogh plan	87,993	1,850,785	87,974	1,850,149	19	636	87,104	1,836,688	87,092	1,836,240	12	448
Expanded income	725,342	414,575,943	724,523	414,491,557	819	84,386	737,659	419,673,361	737,261	419,444,795	397	228,566
Investment interest per adjusted gross income concept	543,284	7,754,117	542,582	7,259,344	702	494,773	538,761	6,436,379	†	†	†	†
Investment interest per alternative income concept	543,284	7,754,117	542,582	7,259,344	702	494,773	541,025	6,486,195	540,833	6,416,190	192	70,005
Total tax preferences excluded from adjusted gross income	364,491	14,636,504	364,174	14,607,508	317	28,997	394,060	17,371,030	393,846	17,267,866	213	103,165
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	166,558	2,773,677	166,407	2,770,104	151	3,573	173,983	3,004,921	173,921	3,001,903	62	3,018
Passive activity loss (Alternative minimum tax adjustment)	319,646	3,406,353	319,364	3,387,804	282	18,548	317,699	3,194,216	317,611	3,195,678	88	-1,462
Adjusted gross income	725,345	409,439,896	724,523	408,877,777	822	562,119	†	†	†	†	397	196,024

Footnote(s) at end of table

Table 5—Returns With and Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits and Tax, Classified by Tax Status—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	Returns with adjusted gross income \$200,000 or more						Returns with expanded income \$200,000 or more					
	Total		Returns with total income tax		Returns without total income tax		Total		Returns with total income tax		Returns without total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Exemption amount	724 153	4,178,304	723,331	4 173,690	822	4 614	736,462	4 164 095	736 064	4,162 145	397	1,950
Itemized deductions												
Total per adjusted gross income concept	705,352	52 513,275	704 570	51,825,257	782	688,018	714 759	51,026,172	†	†	†	†
Total per alternative income concept	705,352	52 513,275	704 570	51,825,257	782	688,018	714 748	45,197,831	714,471	45,084 554	277	113,278
Contributions deduction	683,872	10,247 594	683 178	10,194 245	694	53,349	693,650	10,488,642	693,424	10,460,513	226	28,130
Interest paid deduction												
Total per adjusted gross income concept	632 702	16,622,081	631,960	16,079,899	742	542,182	630,324	14 965,690	630,094	14,875,043	230	90,647
Total per alternative income concept	632 702	16,622 081	631,960	16,079,899	742	542,182	529 165	9,696,465	528,976	9,673,029	189	23,436
Total home mortgage interest	534 621	9,314 628	534,040	9 274 018	581	40,609	524,899	8,968,140	524,717	8,951 314	182	16,827
Medical and dental expense deduction	8,379	323,996	8,341	316,698	38	7,299	10,606	362,581	10,569	355,291	37	7,290
Net casualty or theft loss deduction	186	39,359	161	22,194	25	17,165	183	39,257	161	22,194	22	17,063
Taxes paid deduction	700,508	23 117 928	699,784	23,091,354	724	26,574	709,953	23,130,460	709 703	23,121 591	250	8,869
Net limited miscellaneous deductions	93,204	1 750,706	92,878	1 726,332	326	24,375	94,376	1,649,526	94,274	1 637 717	102	11,809
Non-limited miscellaneous deductions	16 468	265,438	16,392	248,466	76	16,972	16,729	265,811	16,672	248,906	57	16,904
Moving expenses deduction	15,483	146,172	15,475	146,069	8	103	13,540	124,206	13,536	124 147	4	59
Excess of exemptions and deductions over adjusted gross income	1 505	372 524	816	166,747	689	205,777	719	137,964	430	76,516	289	61,448
Taxable income	723,837	353 028 145	723,707	352,952,952	130	75,193	736,919	354 695,919	†	†	†	†
Tax at normal rates	723 834	100 366,371	723,707	100,342 160	127	24 211	†	†	†	†	105	23,967
Income tax before credits	723,838	100 767,040	723,711	100,742,833	127	24,207	736,919	101,232,993	736,814	101,209,030	105	23,963
Tax credits												
Total	147,793	1 024 997	147 666	1,000,790	127	24 207	153,034	1,023,868	152,929	999,905	105	23,963
Personal credits	35,397	19,484	†	†	†	†	34 330	18,711	†	†	†	†
Non personal credits	114 458	1 005 514	114,331	981,308	127	24,206	120,764	1,005,157	120,659	981 195	105	23,962
Foreign tax credit	72,137	572,999	72,046	549,904	91	23,095	78,230	574,543	78,142	551,627	88	22,916
Business credit	33,082	242 375	33,052	242 256	30	119	33 219	240,036	33,208	239 969	11	67
Alternative minimum tax (Form 6251)	24,053	543 357	24,053	543,357	—	—	24 352	500,291	24,352	500,291	—	—
Total income tax												
Taxes paid to the U S	724 523	100,285,400	724,523	100,285,400	—	—	737,261	100,709,415	737,261	100,709,415	—	—
Foreign taxes paid	—	—	—	—	—	—	—	—	—	—	—	—
Taxable income which would yield												
Income tax before credits	723,838	357 988,958	723,711	357,913,394	127	75,564	736,919	359 685,570	736,814	359 610,963	105	74 607
Income tax after credits	723 688	354,440,678	723 688	354,440,678	—	—	736,793	356,139,760	736,793	356,139,760	—	—
Total income tax	724 523	356 326,938	724 523	356,326,938	—	—	737,261	357,855,139	737,261	357,855,139	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

NOTE Detail may not add to total because of rounding

Table 6—Returns With and Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits and Tax, Classified by Tax Status

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	Returns with adjusted gross income \$200,000 or more						Returns with expanded income \$200,000 or more					
	Total		Returns with modified total income tax		Returns without modified total income tax		Total		Returns with modified total income tax		Returns without modified total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Salaries and wages	597,022	168,646,939	596,603	168,585,957	419	60,982	592,525	166,379,050	592,361	166,342,051	163	36,999
Business or profession												
Net income	154,976	19,640,783	154,807	19,625,645	169	15,138	155,505	19,405,516	155,441	19,398,152	64	7,365
Net loss	52,890	1,693,558	52,724	1,667,929	166	25,628	53,090	1,663,781	53,045	1,656,293	45	7,488
Farm												
Net income	11,693	1,092,567	11,677	1,090,027	16	2,540	12,510	1,107,630	12,505	1,107,380	5	250
Net loss	26,616	1,364,131	†	†	†	†	26,979	1,401,272	†	†	†	†
Partnership and S Corporation net income after Section 179 property deduction												
Net income	271,888	62,719,799	271,778	62,709,627	110	10,172	273,098	62,777,902	273,052	62,771,976	46	5,925
Net loss	240,459	11,636,119	239,964	11,237,576	495	398,543	243,048	11,085,286	242,891	10,984,354	157	100,931
Sales of capital assets												
Net gain	432,050	96,712,825	431,555	96,398,289	495	314,536	446,809	96,980,079	446,649	96,920,392	160	59,687
Net loss	141,662	333,523	141,494	333,043	168	480	142,919	335,799	142,817	335,502	102	297
Sales of property other than capital assets												
Net gain	64,194	1,958,566	64,087	1,948,289	107	10,278	65,519	1,940,877	65,466	1,938,130	53	2,747
Net loss	68,295	521,396	68,174	516,888	121	4,508	68,624	519,705	68,597	518,439	27	1,266
Interest received	719,374	30,890,815	718,662	30,425,147	712	465,669	731,832	31,008,740	731,540	30,921,442	292	87,298
Tax-exempt interest	280,391	11,411,639	280,199	11,389,073	192	22,565	311,087	13,582,161	310,917	13,484,616	170	97,545
Dividends	581,781	24,327,810	581,229	24,252,239	552	75,571	597,937	25,051,078	597,690	25,019,130	247	31,949
Pensions and annuities in adjusted gross income	131,629	5,747,136	131,544	5,742,789	85	4,347	144,623	6,129,678	144,544	6,124,345	78	5,333
Rent												
Net income	139,279	5,068,654	139,128	5,056,042	151	12,612	148,233	5,261,639	148,158	5,253,055	75	8,584
Net loss (deductible and nondeductible)	182,947	3,593,037	182,676	3,561,007	271	32,030	174,435	3,097,839	174,377	3,094,362	58	3,477
Net loss (nondeductible)	120,069	1,412,052	119,907	1,401,426	162	10,627	110,163	1,101,966	110,131	1,101,141	32	825
Royalty												
Net income	62,652	1,313,156	62,523	1,309,716	129	3,441	65,876	1,387,065	65,843	1,386,601	33	464
Net loss	6,154	28,153	6,139	27,668	15	485	5,976	28,871	5,964	28,533	*12	*338
Estate or trust												
Net income	35,485	2,177,705	35,441	2,176,679	44	1,026	38,493	2,208,887	38,475	2,208,394	18	492
Net loss	10,663	146,732	10,644	144,248	19	2,484	11,107	141,013	11,101	140,949	6	64
State income tax refunds	364,832	2,310,900	364,578	2,305,149	254	5,752	369,600	2,316,181	369,504	2,314,085	96	2,095
Windfall profit tax refunds	717	1,633	†	†	†	†	950	1,643	†	†	†	†
Windfall profit tax withheld	2,263	1,656	†	†	†	†	2,270	1,652	†	†	†	†
Alimony received	1,979	70,928	†	†	†	†	1,978	70,914	†	†	†	†
Social security benefits in adjusted gross income	113,331	713,541	113,219	712,880	112	660	136,993	872,876	136,902	872,294	91	582
Social security benefits (nontaxable)	113,331	713,582	113,219	712,922	112	660	136,993	872,925	136,902	872,343	91	582
Unemployment compensation	3,805	10,192	†	†	†	†	3,886	10,539	†	†	†	†
Other income	158,938	7,755,066	158,752	7,732,775	186	22,290	160,989	7,711,090	160,863	7,694,008	126	17,082
Other loss	11,537	1,475,480	11,413	1,429,566	124	45,913	11,366	1,336,996	11,326	1,321,333	39	15,663
Total income	725,345	412,610,897	724,614	412,119,667	731	491,230	†	†	†	†	309	123,397
Total statutory adjustments	238,708	3,171,002	238,579	3,167,708	129	3,294	237,690	3,133,312	237,654	3,132,417	36	895
Employee business expense	26,759	142,585	26,752	142,501	7	84	25,449	134,327	25,446	134,254	3	72
Payments to an IRA	75,532	226,179	75,501	226,105	31	74	76,396	228,020	76,389	228,006	7	14
Payments to a Keogh plan	87,993	1,850,785	87,979	1,850,233	14	552	87,104	1,836,688	87,097	1,836,324	7	364
Expanded income	725,342	414,575,943	724,614	414,567,135	728	8,808	737,659	419,673,361	737,349	419,519,785	309	153,576
Investment interest per adjusted gross income concept	543,284	7,754,117	542,611	7,259,627	673	494,490	538,761	6,436,379	†	†	†	†
Investment interest per alternative income concept	543,284	7,754,117	542,611	7,259,627	673	494,490	541,025	6,486,195	540,859	6,416,443	166	69,751
Total tax preferences excluded from adjusted gross income	364,491	14,636,504	364,190	14,609,345	301	27,159	394,060	17,371,030	393,862	17,269,703	197	101,328
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	166,558	2,773,677	166,412	2,770,230	146	3,447	173,983	3,004,921	173,926	3,002,029	57	2,892
Passive activity loss (Alternative minimum tax adjustment)	319,646	3,406,353	319,376	3,386,528	270	19,824	317,699	3,194,216	317,623	3,194,402	76	-186
Adjusted gross income	725,345	409,439,896	724,614	408,951,959	731	487,937	†	†	†	†	309	122,502

Footnote(s) at end of table

Table 6—Returns With and Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Income, Deductions, Credits and Tax, Classified by Tax Status—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Item	Returns with adjusted gross income \$200,000 or more						Returns with expanded income \$200,000 or more					
	Total		Returns with modified total income tax		Returns without modified total income tax		Total		Returns with modified total income tax		Returns without modified total income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Exemption amount	724 153	4 178,304	723,422	4 174 166	731	4 138	736,462	4 164,095	736,152	4 162 604	309	1,491
Itemized deductions												
Total per adjusted gross income concept	705,352	52,513,275	704,621	51,827,370	731	685,905	714 759	51,026,172	714,529	50,847,453	230	178,720
Total per alternative income concept	705,352	52,513,275	704,621	51,827,370	731	685,905	714 748	45,197,831	714,518	45,086,330	230	111,501
Contributions deduction	683,872	10,247,594	683,215	10,194,683	657	52,911	693,650	10,488,642	693,459	10,460,947	191	27,695
Interest paid deduction												
Total per adjusted gross income concept	632,702	16,622,081	632,005	16,080,775	697	541,305	630,324	14,965,690	630,136	14,875,869	188	89,821
Total per alternative income concept	632,702	16,622,081	632,005	16,080,775	697	541,305	529,165	9,696,465	529,009	9,673,648	156	22,817
Total home mortgage interest	534,621	9,314,628	534,074	9,274,650	547	39,977	524,899	8,968,140	524,748	8,951,914	151	16,226
Medical and dental expense deduction	8,379	323,996	8,341	316,698	38	7,299	10,606	362,581	10,569	355,291	37	7,290
Net casualty or theft loss deduction	186	39,359	161	22,194	25	17,165	183	39,257	161	22,194	22	17,063
Taxes paid deduction	700,508	23,117,928	699,826	23,091,867	682	26,061	709,953	23,130,460	709,743	23,122,102	210	8,357
Net limited miscellaneous deductions	93,204	1,750,706	92,886	1,726,516	318	24,191	94,376	1,649,526	94,282	1,637,901	94	11,625
Non-limited miscellaneous deductions	16,468	265,438	16,399	248,508	69	16,930	16,729	265,811	16,679	248,948	50	16,862
Moving expenses deduction	15,483	146,172	15,478	146,128	5	44	13,540	124,206	†	†	†	†
Excess of exemptions and deductions over adjusted gross income	1,505	372,524	816	166,747	689	205,777	719	137,964	430	76,516	289	61,448
Taxable income	723,837	353,028,145	723,798	353,024,400	39	3,745	736,919	354,695,919	†	†	†	†
Tax at normal rates	723,834	100,366,371	723,798	100,365,370	36	1,002	†	†	†	†	17	936
Income tax before credits	723,838	100,767,040	723,802	100,766,038	36	1,002	736,919	101,232,993	736,902	101,232,057	17	936
Tax credits												
Total	84,203	451,998	84,167	450,996	36	1,002	83,819	449,324	83,802	448,388	17	936
Personal credits	35,397	19,484	†	†	†	†	34,330	18,711	34,330	18,711	—	—
Non personal credits	50,848	432,514	50,812	431,513	36	1,001	51,529	430,613	51,512	429,677	17	936
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	33,082	242,375	†	†	†	†	33,219	240,036	†	†	†	†
Alternative minimum tax (Form 6251)	24,053	543,357	24,053	543,357	—	—	24,352	500,291	24,352	500,291	—	—
Total income tax												
Taxes paid to the U S	724 614	100,858,399	724,614	100,858,399	—	—	737,349	101,283,959	737,349	101,283,959	—	—
Foreign taxes paid	72,137	572,999	72,137	572,999	—	—	78,230	574,543	78,230	574,543	—	—
Taxable income which would yield												
Income tax before credits	723,838	357,988,947	723,802	357,985,170	36	3,777	736,919	359,685,559	736,902	359,682,154	17	3,405
Income tax after credits	723,779	356,396,228	723,779	356,396,228	—	—	736,881	358,100,449	736,881	358,100,449	—	—
Total income tax	724 614	358,282,489	724 614	358,282,489	—	—	737,349	359,815,828	737,349	359,815,828	—	—

* Estimate should be used with caution because of the small number of sample returns on which it is based

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

NOTE: Detail may not add to total because of rounding

Table 7—Returns With and Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With Largest Tax Effect and by Item With Second Largest Tax Effect

(All figures are estimates based on samples)

Item with second largest tax effect	Item with the largest tax effect									
	Total		Interest paid deduction		Taxes paid deduction		Contributions deduction		Medical and dental expense deduction	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Returns With Total Income Tax										
Returns with adjusted gross income \$200,000 or more										
Total	708,814	100.0	210,273	29.7	349,512	49.3	57,932	8.2	3,347	0.5
Interest paid deduction	224,791	31.7	—	—	181,031	51.8	12,738	22.0	705	21.1
Taxes paid deduction	237,693	33.5	157,821	75.1	—	—	38,402	66.3	1,549	46.3
Contributions deduction	157,770	22.3	27,315	13.0	122,886	35.2	—	—	132	3.9
Medical and dental expense deduction	†	†	†	†	681	0.2	204	0.4	—	—
Net casualty or theft loss deduction	†	†	†	†	—	—	—	—	—	—
Total miscellaneous deduction	18,568	2.6	4,949	2.4	9,959	2.8	1,766	3.0	795	23.8
Foreign tax credit	2,978	0.4	375	0.2	2,016	0.6	279	0.5	—	—
Business credit	4,754	0.7	1,300	0.6	2,065	0.6	425	0.7	—	—
All other tax credits	4,690	0.7	1,457	0.7	1,755	0.5	255	0.4	—	—
Partnership and S Corporation net losses	48,938	6.9	16,352	7.8	26,798	7.7	3,729	6.4	167	5.0
No second largest item	6,965	1.0	266	0.1	2,321	0.7	134	0.2	—	—
Returns with expanded income \$200,000 or more										
Total	718,218	100.0	163,526	22.8	389,060	54.2	68,871	9.6	3,936	0.5
Interest paid deduction	205,991	28.7	—	—	173,959	44.7	9,808	14.2	704	17.9
Taxes paid deduction	225,420	31.4	128,008	78.3	—	—	49,017	71.2	2,159	54.9
Contributions deduction	192,003	26.7	21,233	13.0	160,586	41.3	—	—	132	3.4
Medical and dental expense deduction	2,794	0.4	271	0.2	1,335	0.3	734	1.1	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	15,215	2.1	1,310	0.8	10,038	2.6	2,092	3.0	775	19.7
Foreign tax credit	3,700	0.5	102	0.1	2,681	0.7	309	0.4	—	—
Business credit	4,777	0.7	713	0.4	2,433	0.6	518	0.8	—	—
All other tax credits	5,816	0.8	1,336	0.8	2,166	0.6	290	0.4	—	—
Partnership and S Corporation net losses	50,637	7.1	10,521	6.4	32,028	8.2	5,569	8.1	167	4.2
No second largest item	11,864	1.7	33	()	3,835	1.0	533	0.8	—	—
Returns Without Total Income Tax										
Returns with adjusted gross income \$200,000 or more										
Total	822	100.0	494	60.1	†	†	13	1.6	28	3.4
Interest paid deduction	181	22.0	—	—	†	†	9	69.2	5	17.9
Taxes paid deduction	144	17.5	118	23.9	—	—	—	—	3	10.7
Contributions deduction	113	13.7	86	17.4	†	†	—	—	11	39.3
Medical and dental expense deduction	7	0.9	†	†	—	—	†	†	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	59	7.2	43	8.7	†	†	—	—	9	32.1
Foreign tax credit	3	0.4	—	—	—	—	†	†	—	—
Business credit	5	0.6	†	†	—	—	—	—	—	—
All other tax credits	5	0.6	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	252	30.7	237	48.0	†	†	†	†	—	—
No second largest item	53	6.4	4	0.8	—	—	—	—	—	—
Returns with expanded income \$200,000 or more										
Total	375	100.0	55	14.7	8	2.1	30	8.0	28	7.5
Interest paid deduction	65	17.3	—	—	†	†	9	30.0	†	†
Taxes paid deduction	77	20.5	30	54.5	—	—	5	16.7	†	†
Contributions deduction	46	12.3	14	25.5	†	†	—	—	11	39.3
Medical and dental expense deduction	7	1.9	—	—	†	†	3	10.0	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	31	8.3	†	†	†	†	—	—	9	32.1
Foreign tax credit	†	†	—	—	—	—	†	†	—	—
Business credit	†	†	—	—	—	—	†	†	—	—
All other tax credits	5	1.3	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	26	6.9	5	9.1	—	—	8	26.7	—	—
No second largest item	112	29.9	†	†	—	—	—	—	—	—

Footnote(s) at end of table

Table 7—Returns With and Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With Largest Tax Effect and by Item With Second Largest Tax Effect—Continued

(All figures are estimates based on samples)

Item with second largest tax effect	Item with the largest tax effect—Continued											
	Net casualty or theft loss deduction		Total miscellaneous deduction		Foreign tax credit		Business credit		All other tax credits		Partnership and S Corporation net losses	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Returns With Total Income Tax												
Returns with adjusted gross income \$200,000 or more												
Total	134	()	13,413	1.9	6,890	1.0	5,820	0.8	3,301	0.5	58,193	8.2
Interest paid deduction	21	15.7	4,261	31.8	2,738	39.7	1,587	27.3	963	29.2	20,746	35.7
Taxes paid deduction	24	17.9	7,012	52.3	2,946	42.8	1,992	34.2	1,508	45.7	26,439	45.4
Contributions deduction	83	61.9	1,026	7.6	235	3.4	722	12.4	186	5.6	5,185	8.9
Medical and dental expense deduction	—	—	256	1.9	—	—	—	—	—	—	89	0.2
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	182	2.6	—	—	7	0.2	—	—
Foreign tax credit	—	—	19	0.1	—	—	—	—	—	—	—	—
Business credit	—	—	92	0.7	8	0.1	—	—	40	1.2	—	—
All other tax credits	—	—	19	0.1	6	0.1	107	1.8	—	—	1,090	1.9
Partnership and S Corporation net losses	5	3.7	728	5.4	235	3.4	657	11.3	269	8.1	—	—
No second largest item	—	—	—	—	541	7.9	677	11.6	327	9.9	2,699	4.6
Returns with expanded income \$200,000 or more												
Total	136	()	8,671	1.2	7,956	1.1	6,245	0.9	3,851	0.5	65,967	9.2
Interest paid deduction	21	15.4	1,299	15.0	2,333	29.3	1,067	17.1	554	14.4	16,246	24.6
Taxes paid deduction	26	19.1	4,227	48.7	3,084	38.8	2,462	39.4	2,092	54.3	34,345	52.1
Contributions deduction	83	61.0	1,779	20.5	231	2.9	865	13.9	223	5.8	6,872	10.4
Medical and dental expense deduction	—	—	256	3.0	—	—	—	—	—	—	198	0.3
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	125	1.6	—	—	—	—	—	—
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	859	1.3
Business credit	—	—	—	—	—	—	—	—	—	—	491	0.7
All other tax credits	—	—	—	—	—	—	—	—	—	—	1,066	1.6
Partnership and S Corporation net losses	5	3.7	815	9.4	272	3.4	884	14.2	376	9.8	—	—
No second largest item	—	—	—	—	1,897	23.8	—	—	552	14.3	4,237	6.4
Returns Without Total Income Tax												
Returns with adjusted gross income \$200,000 or more												
Total	22	2.7	43	5.2	86	10.5	—	—	—	—	127	15.5
Interest paid deduction	10	45.5	19	44.2	25	29.1	—	—	—	—	111	87.4
Taxes paid deduction	6	27.3	5	11.6	8	9.3	—	—	—	—	—	—
Contributions deduction	—	—	—	—	—	—	—	—	—	—	7	5.5
Medical and dental expense deduction	—	—	—	—	—	—	—	—	—	—	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	4	4.7	—	—	—	—	—	—
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	—	—	—	—	—	—	—	—	—	—
All other tax credits	—	—	—	—	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	4	3.1
No second largest item	—	—	—	—	—	—	—	—	—	—	—	—
Returns with expanded income \$200,000 or more												
Total	22	5.9	41	10.9	83	22.1	—	—	5	1.3	103	27.5
Interest paid deduction	7	31.8	16	39.0	19	22.9	—	—	—	—	9	8.7
Taxes paid deduction	10	45.5	6	14.6	8	9.6	—	—	—	—	11	10.7
Contributions deduction	—	—	—	—	—	—	—	—	—	—	9	8.7
Medical and dental expense deduction	—	—	—	—	—	—	—	—	—	—	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	4	4.8	—	—	—	—	10	9.7
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	—	—	—	—	—	—	—	—	—	—
All other tax credits	—	—	—	—	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	—	—
No second largest item	—	—	—	—	—	—	—	—	—	—	57	55.3

() Less than 0.05 percent

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals

NOTE: Detail may not add to total because of rounding

Table 8—Returns With and Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With Largest Tax Effect and by Item With Second Largest Tax Effect

(All figures are estimates based on samples)

Item with second largest tax effect	Item with the largest tax effect									
	Total		Interest paid deduction		Taxes paid deduction		Contributions deduction		Medical and dental expense deduction	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Returns With Modified Total Income Tax										
Returns with adjusted gross income \$200,000 or more										
Total	708,327	100.0	213,035	30.1	352,466	49.8	58,170	8.2	3,347	0.5
Interest paid deduction	224,862	31.7	—	—	183,260	52.0	13,075	22.5	705	21.1
Taxes paid deduction	236,454	33.4	159,131	74.7	—	—	38,521	66.2	1,549	46.3
Contributions deduction	160,405	22.6	28,495	13.4	124,505	35.3	—	—	132	3.9
Medical and dental expense deduction	†	†	†	†	916	0.3	204	0.4	—	—
Net casualty or theft loss deduction	†	†	†	†	—	—	—	—	—	—
Total miscellaneous deduction	18,556	2.6	5,000	2.3	10,033	2.8	1,796	3.1	795	23.8
Foreign tax credit	—	—	—	—	—	—	—	—	—	—
Business credit	5,036	0.7	†	†	2,327	0.7	†	†	—	—
All other tax credits	4,748	0.7	1,462	0.7	1,788	0.5	255	0.4	—	—
Partnership and S Corporation net losses	49,243	7.0	16,434	7.7	27,250	7.7	3,735	6.4	167	5.0
No second largest item	7,120	1.0	774	0.4	2,388	0.7	†	†	—	—
Returns with expanded income \$200,000 or more										
Total	716,369	100.0	165,879	23.2	392,152	54.7	69,105	9.6	3,936	0.5
Interest paid deduction	205,934	28.7	—	—	175,781	44.8	10,122	14.6	704	17.9
Taxes paid deduction	223,724	31.2	128,960	77.7	—	—	49,149	71.1	2,159	54.9
Contributions deduction	195,624	27.3	22,115	13.3	163,225	41.6	—	—	132	3.4
Medical and dental expense deduction	3,029	0.4	†	†	1,570	0.4	734	1.1	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	15,272	2.1	1,353	0.8	10,126	2.6	2,123	3.1	775	19.7
Foreign tax credit	—	—	—	—	—	—	—	—	—	—
Business credit	5,110	0.7	†	†	2,732	0.7	524	0.8	—	—
All other tax credits	5,894	0.8	1,341	0.8	2,199	0.6	290	0.4	—	—
Partnership and S Corporation net losses	50,941	7.1	10,587	6.4	32,531	8.3	5,576	8.1	167	4.2
No second largest item	10,841	1.5	†	†	3,989	1.0	588	0.9	—	—
Returns Without Modified Total Income Tax										
Returns with adjusted gross income \$200,000 or more										
Total	731	100.0	494	67.6	†	†	†	†	28	3.8
Interest paid deduction	156	21.3	—	—	†	†	†	†	5	17.9
Taxes paid deduction	136	18.6	118	23.9	—	—	—	—	†	†
Contributions deduction	110	15.0	86	17.4	†	†	—	—	11	39.3
Medical and dental expense deduction	7	1.0	†	†	—	—	†	†	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	55	7.5	43	8.7	†	†	—	—	†	†
Foreign tax credit	—	—	—	—	—	—	—	—	—	—
Business credit	†	†	†	†	—	—	—	—	—	—
All other tax credits	†	†	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	243	33.2	237	48.0	†	†	†	†	—	—
No second largest item	16	2.2	4	0.8	—	—	—	—	—	—
Returns with expanded income \$200,000 or more										
Total	287	100.0	55	19.2	8	2.8	†	†	28	9.8
Interest paid deduction	46	16.0	—	—	†	†	9	31.0	†	†
Taxes paid deduction	69	24.0	30	54.5	—	—	5	17.2	†	†
Contributions deduction	42	14.6	14	25.5	†	†	—	—	11	39.3
Medical and dental expense deduction	7	2.4	—	—	†	†	3	10.3	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	27	9.4	†	†	†	†	†	†	9	32.1
Foreign tax credit	—	—	—	—	—	—	—	—	—	—
Business credit	†	†	—	—	—	—	†	†	—	—
All other tax credits	†	†	—	—	—	—	—	—	—	—
Partnership and S Corporation net losses	18	6.3	5	9.1	—	—	8	27.6	—	—
No second largest item	72	25.1	†	†	—	—	—	—	—	—

Footnote(s) at end of table

Table 8—Returns With and Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Number of Returns and Percentages Classified by Item With Largest Tax Effect and by Item With Second Largest Tax Effect—Continued

(All figures are estimates based on samples)

Item with second largest tax effect	Item with the largest tax effect—Continued											
	Net casualty or theft loss deduction		Total miscellaneous deduction		Foreign tax credit		Business credit		All other tax credits		Partnership and S Corporation net losses	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Returns With Modified Total Income Tax												
Returns with adjusted gross income \$200,000 or more												
Total	134	()	13,599	1.9	—	—	5,828	0.8	3,308	0.5	58,441	8.3
Interest paid deduction	†	†	4,316	31.7	—	—	1,593	27.3	†	†	20,927	35.8
Taxes paid deduction	24	17.9	7,134	52.5	—	—	2,030	34.8	1,508	45.6	26,557	45.4
Contributions deduction	83	61.9	1,051	7.7	—	—	†	†	†	†	5,229	8.9
Medical and dental expense deduction	—	—	256	1.9	—	—	—	—	—	—	89	0.2
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	—	—	†	†	†	†	925	1.6
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	†	†	—	—	—	—	†	†	849	1.5
All other tax credits	—	—	†	†	—	—	†	†	—	—	1,097	1.9
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	—	—
No second largest item	—	—	†	†	—	—	†	†	333	10.1	2,768	4.7
Returns with expanded income \$200,000 or more												
Total	136	()	8,800	1.2	—	—	6,253	0.9	3,857	0.5	66,251	9.2
Interest paid deduction	21	15.4	1,334	15.2	—	—	1,073	17.2	554	14.4	16,345	24.7
Taxes paid deduction	26	19.1	4,310	49.0	—	—	†	†	†	†	34,526	52.1
Contributions deduction	83	61.0	1,828	20.8	—	—	†	†	†	†	7,152	10.8
Medical and dental expense deduction	—	—	256	2.9	—	—	—	—	—	—	†	†
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	—	—	†	†	†	†	†	†
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	—	—	—	—	—	—	40	1.0	†	†
All other tax credits	—	—	254	2.9	—	—	†	†	—	—	†	†
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	—	—
No second largest item	—	—	3	()	—	—	†	†	558	14.5	4,371	6.6
Returns Without Modified Total Income Tax												
Returns with adjusted gross income \$200,000 or more												
Total	22	3.0	43	5.9	—	—	—	—	†	†	123	16.8
Interest paid deduction	10	45.5	19	44.2	—	—	—	—	†	†	111	90.2
Taxes paid deduction	6	27.3	5	11.6	—	—	—	—	†	†	†	†
Contributions deduction	†	†	†	†	—	—	—	—	—	—	†	†
Medical and dental expense deduction	†	†	†	†	—	—	—	—	—	—	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	†	†	—	—	—	—	—	—	—	—	†	†
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	†	†	—	—	—	—	—	—	—	—
All other tax credits	—	—	—	—	—	—	—	—	—	—	†	†
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	—	—
No second largest item	—	—	12	27.9	—	—	—	—	—	—	—	—
Returns with expanded income \$200,000 or more												
Total	22	7.7	41	14.3	—	—	—	—	†	†	99	34.5
Interest paid deduction	7	31.8	16	39.0	—	—	—	—	—	—	9	9.1
Taxes paid deduction	10	45.5	6	14.6	—	—	—	—	†	†	11	11.1
Contributions deduction	†	†	†	†	—	—	—	—	—	—	†	†
Medical and dental expense deduction	†	†	†	†	—	—	—	—	—	—	—	—
Net casualty or theft loss deduction	—	—	—	—	—	—	—	—	—	—	—	—
Total miscellaneous deduction	—	—	—	—	—	—	—	—	—	—	10	10.1
Foreign tax credit	—	—	—	—	—	—	—	—	—	—	—	—
Business credit	—	—	†	†	—	—	—	—	—	—	†	†
All other tax credits	—	—	—	—	—	—	—	—	—	—	†	†
Partnership and S Corporation net losses	—	—	—	—	—	—	—	—	—	—	—	—
No second largest item	—	—	†	†	—	—	—	—	—	—	57	57.6

() Less than 0.05 percent.

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals.

NOTE: Detail may not add to total because of rounding.

Table 9—Returns Without Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Itemized Deductions as a Percentage of Income

(All figures are estimates based on samples)

Type of deduction or credit	Returns with adjusted gross income \$200,000 or more										
	Total	No deduction or credit	Under 10%	10% under 20%	20% under 30%	30% under 40%	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total itemized deductions	822	40	36	12	4	—	4	†	†	91	631
Interest paid deduction											
Total	822	80	87	17	8	11	11	11	20	232	345
Investment interest per income concept	822	120	114	19	14	19	16	25	32	221	242
Taxes paid deduction	822	98	560	96	31	20	6	4	—	3	4
Contributions deduction	822	128	479	51	40	34	48	42	—	—	—
Medical and dental expense deduction	822	784	5	†	†	†	†	6	†	11	9
Net casualty or theft loss deduction	822	797	†	†	†	—	—	—	†	†	14
Net limited miscellaneous deduction	822	496	227	44	20	15	4	5	†	†	5
Non-limited miscellaneous deduction	822	746	33	†	†	—	—	—	—	21	13
Deduction equivalent of:											
Total credits	822	695	22	4	†	†	3	†	—	89	3
Foreign tax credit	822	731	†	—	†	—	†	†	—	83	3
Business credit	822	792	25	†	—	†	—	—	—	—	—
Tax preferences excluded from adjusted gross income	822	505	218	25	25	5	†	†	8	10	21

Type of deduction or credit	Returns with expanded income \$200,000 or more										
	Total	No deduction or credit	Under 10%	10% under 20%	20% under 30%	30% under 40%	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Total itemized deductions	397	122	41	16	12	7	6	4	3	48	138
Interest paid deduction											
Total	397	208	91	18	8	7	4	9	3	27	22
Investment interest per income concept	397	208	108	8	7	6	8	3	10	7	32
Taxes paid deduction	397	148	181	46	7	6	—	†	—	†	4
Contributions deduction	397	173	133	22	17	14	10	9	3	5	11
Medical and dental expense deduction	397	360	†	3	5	†	†	4	5	9	5
Net casualty or theft loss deduction	397	375	—	—	—	—	—	—	†	†	17
Net limited miscellaneous deduction	397	296	67	10	9	†	†	†	†	†	7
Non-limited miscellaneous deduction	397	340	16	—	†	†	†	—	—	21	13
Deduction equivalent of:											
Total credits	397	292	6	†	3	†	†	4	†	84	3
Foreign tax credit	397	309	†	—	†	—	—	†	†	79	3
Business credit	397	386	8	†	—	†	—	—	—	—	—
Tax preferences excluded from adjusted gross income	397	184	56	11	6	4	8	6	5	24	93

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals.
 NOTE: Detail may not add to total because of rounding.

Table 10—Returns Without Modified Total Income Tax and With Income \$200,000 or More Under Alternative Concepts: Itemized Deductions as a Percentage of Income

(All figures are estimates based on samples)

Type of deduction or credit	Returns with adjusted gross income \$200,000 or more										
	Total	No deduction or credit	Under 10%	10% under 20%	20% under 30%	30% under 40%	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Total itemized deductions	731	—	†	3	†	—	†	†	†	89	631
Interest paid deduction											
Total	731	34	49	12	7	10	11	11	20	232	345
Investment interest per income concept	731	58	88	16	14	19	16	25	32	221	242
Taxes paid deduction	731	49	521	94	30	20	6	4	—	3	4
Contributions deduction	731	74	444	51	40	34	46	42	—	—	—
Medical and dental expense deduction	731	693	5	†	†	†	†	6	†	11	9
Net casualty or theft loss deduction	731	706	†	†	†	—	—	—	†	†	14
Net limited miscellaneous deduction	731	413	221	42	20	15	4	5	†	†	5
Non-limited miscellaneous deduction	731	662	26	†	†	—	—	—	—	21	13
Deduction equivalent of											
Total credits	731	695	21	4	†	†	†	†	—	5	—
Foreign tax credit	731	731	—	—	—	—	—	—	—	—	—
Business credit	731	702	24	†	—	†	—	—	—	—	—
Tax preferences excluded from adjusted gross income	731	430	208	23	23	5	†	†	8	9	20

Type of deduction or credit	Returns with expanded income \$200,000 or more										
	Total	No deduction or credit	Under 10%	10% under 20%	20% under 30%	30% under 40%	40% under 50%	50% under 60%	60% under 70%	70% under 100%	100% or more
	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Total itemized deductions	309	79	8	10	10	6	5	†	†	47	138
Interest paid deduction											
Total	309	153	63	16	6	6	4	9	3	27	22
Investment interest per income concept	309	143	86	7	7	6	8	3	10	7	32
Taxes paid deduction	309	99	144	45	6	6	—	†	—	†	4
Contributions deduction	309	118	103	21	17	14	9	8	3	5	11
Medical and dental expense deduction	309	272	†	3	5	†	†	4	5	9	5
Net casualty or theft loss deduction	309	287	—	—	—	—	—	—	†	†	17
Net limited miscellaneous deduction	309	215	62	8	9	†	†	†	†	†	7
Non-limited miscellaneous deduction	309	259	9	—	†	†	†	—	—	21	13
Deduction equivalent of											
Total credits	309	292	5	†	†	†	†	†	—	5	—
Foreign tax credit	309	309	—	—	—	—	—	—	—	—	—
Business credit	309	299	7	†	—	†	—	—	—	—	—
Tax preferences excluded from adjusted gross income	309	112	46	7	6	4	7	6	4	24	93

† Data deleted to avoid disclosure of information for specific taxpayers. Deleted data are included in the appropriate totals.

NOTE: Detail may not add to total because of rounding.

Table 11—Returns With and Without Total Income Tax: Number of Returns and Percentages Classified by Effective Tax Rate and by Size of Income Under Alternative Concepts¹

(All figures are estimates based on samples)

Effective Tax Rate	Size of adjusted gross income									
	Total		Under \$50,000		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	109,708,280	100.0	95,780,115	100.0	11,424,561	100.0	1,778,258	100.0	725,345	100.0
Returns without total income tax	20,475,262	18.7	20,463,272	21.4	9,013	0.1	2,154	0.1	822	0.1
Returns with total income tax	89,233,017	81.3	75,316,843	78.6	11,415,548	99.9	1,776,104	99.9	724,523	99.9
Effective tax rate										
Under 5 percent	16,276,727	14.8	16,184,287	16.9	78,356	0.7	10,624	0.6	3,460	0.5
5 under 10 percent	35,874,431	32.7	34,682,842	36.2	1,161,902	10.2	25,472	1.4	4,216	0.6
10 under 15 percent	26,065,506	23.8	20,780,062	21.7	5,093,414	44.6	180,044	10.1	11,987	1.7
15 under 20 percent	8,419,846	7.7	3,405,882	3.6	4,353,122	38.1	614,924	34.6	45,918	6.3
20 under 25 percent	1,935,890	1.8	163,773	0.2	664,912	5.8	764,240	43.0	342,966	47.3
25 under 30 percent	589,422	0.5	55,142	0.1	51,575	0.5	175,149	9.8	307,556	42.4
30 under 35 percent	16,652	()	7,690	()	3,346	()	1,059	0.1	4,557	0.6
35 under 40 percent	7,535	()	3,187	()	1,590	()	1,304	0.1	1,454	0.2
40 under 45 percent	1,479	()	302	()	116	()	304	()	756	0.1
45 under 50 percent	5,263	()	2,668	()	1,537	()	742	()	316	()
50 under 60 percent	8,111	()	4,357	()	2,400	()	985	0.1	369	0.1
60 under 70 percent	1,532	()	113	()	1,282	()	94	()	43	()
70 under 80 percent	5,015	()	2,953	()	1,218	()	598	()	246	()
80 percent or more	25,608	()	23,585	()	777	()	566	()	679	0.1

Effective Tax Rate	Size of expanded income									
	Total		Under \$50,000		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	109,708,280	100.0	95,725,610	100.0	11,457,821	100.0	1,787,190	100.0	737,659	100.0
Returns without total income tax	20,475,262	18.7	20,460,178	21.4	12,310	0.1	2,377	0.1	397	0.1
Returns with total income tax	89,233,017	81.3	75,265,432	78.6	11,445,512	99.9	1,784,812	99.9	737,261	99.9
Effective tax rate										
Under 5 percent	17,441,920	15.9	17,316,877	18.1	103,585	0.9	17,266	1.0	4,192	0.6
5 under 10 percent	35,214,967	32.1	34,061,978	35.6	1,098,316	9.6	46,178	2.6	8,495	1.2
10 under 15 percent	25,501,067	23.2	20,234,284	21.1	5,087,270	44.4	160,400	9.0	19,114	2.6
15 under 20 percent	8,522,474	7.8	3,375,833	3.5	4,479,050	39.1	607,799	34.0	59,792	8.1
20 under 25 percent	1,932,446	1.8	178,575	0.2	622,743	5.4	788,864	44.1	342,263	46.4
25 under 30 percent	546,028	0.5	52,029	0.1	42,620	0.4	156,259	8.7	295,119	40.0
30 under 35 percent	20,670	()	8,105	()	4,648	()	2,948	0.2	4,970	0.7
35 under 40 percent	6,631	()	3,378	()	615	()	1,257	0.1	1,381	0.2
40 under 45 percent	6,265	()	1,104	()	3,598	()	931	0.1	632	0.1
45 under 50 percent	9,843	()	7,710	()	1,287	()	630	()	216	()
50 under 60 percent	4,768	()	3,636	()	21	()	729	()	382	0.1
60 under 70 percent	666	()	†	†	†	†	446	()	210	()
70 under 80 percent	1,802	()	†	†	†	†	312	()	153	()
80 percent or more	23,471	()	21,915	()	422	()	793	()	341	()

() Less than 0.05 percent

¹ Returns with total income tax includes returns with income tax which is totally offset by the earned income credit

NOTE: Detail may not add to total because of rounding

Table 12—Returns With and Without Modified Total Income Tax: Number of Returns and Percentages Classified by Effective Tax Rate and by Size of Income Under Alternative Concepts¹

(All figures are estimates based on samples)

Effective Tax Rate	Size of adjusted gross income									
	Total		Under \$50,000		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All returns	109,708,280	100.0	95,780,115	100.0	11,424,561	100.0	1,778,258	100.0	725,345	100.0
Returns without modified total income tax	20,452,012	18.6	20,440,808	21.3	8,783	0.1	1,690	0.1	731	0.1
Returns with modified total income tax	89,256,268	81.4	75,339,307	78.7	11,415,778	99.9	1,776,569	99.9	724,614	99.9
Effective tax rate										
Under 5 percent	16,251,857	14.8	16,167,650	16.9	74,892	0.7	7,366	0.4	1,949	0.3
5 under 10 percent	35,860,932	32.7	34,677,129	36.2	1,156,569	10.1	23,866	1.3	3,367	0.5
10 under 15 percent	26,089,633	23.8	20,817,188	21.7	5,084,812	44.5	176,548	9.9	11,085	1.5
15 under 20 percent	8,439,773	7.7	3,413,340	3.6	4,368,669	38.2	613,510	34.5	44,254	6.1
20 under 25 percent	1,945,447	1.8	164,003	0.2	666,299	5.8	771,224	43.4	343,922	47.4
25 under 30 percent	597,028	0.5	55,142	0.1	52,270	0.5	178,402	10.0	311,214	42.9
30 under 35 percent	16,966	()	7,690	()	3,346	()	1,059	0.1	4,871	0.7
35 under 40 percent	7,612	()	3,187	()	1,590	()	1,304	0.1	1,531	0.2
40 under 45 percent	1,482	()	302	()	116	()	304	()	760	0.1
45 under 50 percent	5,271	()	2,668	()	1,537	()	742	()	325	()
50 under 60 percent	8,111	()	4,357	()	2,400	()	985	0.1	369	0.1
60 under 70 percent	1,532	()	113	()	1,282	()	94	()	43	()
70 under 80 percent	5,015	()	2,953	()	1,218	()	598	()	246	()
80 percent or more	25,608	()	23,585	()	777	()	566	()	679	0.1

Effective Tax Rate	Size of expanded income									
	Total		Under \$50,000		\$50,000 under \$100,000		\$100,000 under \$200,000		\$200,000 or more	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
All returns	109,708,280	100.0	95,725,610	100.0	11,457,821	100.0	1,787,190	100.0	737,659	100.0
Returns without modified total income tax	20,452,012	18.6	20,437,714	21.4	12,079	0.1	1,910	0.1	309	()
Returns with modified total income tax	89,256,268	81.4	75,287,896	78.6	11,445,742	99.9	1,785,280	99.9	737,349	100.0
Effective tax rate										
Under 5 percent	17,424,161	15.9	17,307,342	18.1	99,664	0.9	14,470	0.8	2,685	0.4
5 under 10 percent	35,193,014	32.1	34,052,011	35.6	1,089,027	9.5	44,573	2.5	7,403	1.0
10 under 15 percent	25,527,223	23.3	20,268,332	21.2	5,082,154	44.4	157,835	8.8	18,902	2.6
15 under 20 percent	8,543,490	7.8	3,383,521	3.5	4,495,293	39.2	606,637	33.9	58,039	7.9
20 under 25 percent	1,939,687	1.8	178,806	0.2	624,359	5.4	794,207	44.4	342,315	46.4
25 under 30 percent	553,454	0.5	52,029	0.1	43,081	0.4	159,045	8.9	299,299	40.6
30 under 35 percent	21,686	()	8,105	()	4,883	()	3,415	0.2	5,283	0.7
35 under 40 percent	6,727	()	3,378	()	615	()	1,257	0.1	1,477	0.2
40 under 45 percent	6,267	()	1,104	()	3,598	()	931	0.1	635	0.1
45 under 50 percent	9,851	()	7,710	()	1,287	()	630	()	225	()
50 under 60 percent	4,768	()	3,636	()	21	()	729	()	382	0.1
60 under 70 percent	666	()	†	†	†	†	446	()	210	()
70 under 80 percent	1,802	()	†	†	†	†	312	()	153	()
80 percent or more	23,471	()	21,915	()	422	()	793	()	341	()

() Less than 0.05 percent

¹ Returns with modified total income tax includes returns with income tax which is totally offset by the earned income credit

NOTE: Detail may not add to total because of rounding

Section 5

Explanation of Terms

The explanation of terms is designed to aid the user in interpreting the statistical content of this report and should not be construed as interpretations of the Internal Revenue Code or related regulations, procedures, or policies.

The definitions and explanations in this section relate to column or stub titles used in one or more tables in this report. They provide background or limitations to such titles and are necessary to interpret the statistical tables to which they relate. For each of these titles, the line number of the tax form on which it is reported appears after the title. **Definitions marked with the symbol # have been revised for 1988 to reflect changes in the law.**

The terms used in Section 4 differ substantially from those applicable to the remainder of the report and are defined separately in that section. Section 6, *1988 Forms and Instructions*, provides further information about many of the items in this report.

Adjusted Gross Income Less Deficit # (line 31, Form 1040)

Income that had to be reported for the calculation of total income (line 23, Form 1040) and of adjusted gross income included the following:

- Compensation for services, including wages, salaries, fees, commissions, tips, fringe benefits, and similar items;

- Net income derived from a business, profession, or farm;
- Net gains from the sale of property;
- Interest, rents, and royalties;
- Dividends and capital gains distributions;
- Alimony and separate maintenance payments;
- Annuities, pensions, and individual retirement arrangement (IRA) distributions;
- Distributive share of partnership income;
- Income from an estate or trust;
- Bartering income;
- Amounts received that were claimed as a deduction or credit in a prior year;
- Gambling winnings;
- Prizes and awards;
- Some social security payments; and
- All unemployment compensation.

Some reported income is fully or partially excluded from "Total Income" (line 23, Form 1040). Following is a list of such items:

- Exclusion of the cost basis of pension, annuity, or IRA payments or distributions;
- Tax-exempt interest;
- Limited exclusion of social security benefits and railroad retirement benefits;
- Limited exclusion of qualified foreign earned income; and

- One-time exclusion of part or all of the gain from sale of principal residence by individuals who are 55 years of age or older.

From Total Income (line 23 on Form 1040) the following statutory adjustments (lines 24 through 29 on Form 1040) are subtracted to arrive at Adjusted Gross Income (line 31); a Deficit occurs if the allowable exclusions and deductions exceed gross income:

- Reimbursed employee business expenses that were included in reported income;
- Contributions to self-employed retirement plans (Keogh or simplified employee pension (SEP)) and to individual retirement arrangements (IRAs) by eligible persons;
- Forfeited interest penalties incurred by persons who made premature withdrawals of funds from time savings accounts;
- Alimony payments;
- Self-employed health insurance deduction;
- Forestation or reforestation expenses;
- Foreign housing exclusion;
- Repayments of supplemental unemployment compensation; and
- Certain expenses of qualified performing artists.

Adjustments

See "Statutory Adjustments."

Advance Earned Income Credit Payments (included in the total on line 53, Form 1040)

Taxpayers who believed they would be eligible for the earned income credit at the end of

the year could receive the credit from their employers as an additional payment in their paychecks during the year. Those payments were then shown on the tax return (line 53 total on Form 1040) where they became either an increase to the balance due or a reduction of the overpayment. (See also "All Other Taxes.")

Alimony

(lines 11, 29, Form 1040)

Payments received as alimony or separate maintenance were income to the person receiving them and a deduction (an adjustment to gross income) for the person paying them.

All Other Taxes

(lines 48, 50, 51, 52, Form 1040)

For the statistics, this amount represents the sum of the self-employment tax, tax from the recapture of the investment credit and the low income housing credit, social security taxes on tip income, any penalty taxes on individual retirement arrangements (IRA's) or other qualified retirement plans, and other unspecified taxes which included uncollected tax on tips, excess "golden parachute" payments, and section 72 penalty taxes. This was in contrast to the "other taxes" portion of the Form 1040 itself, which was composed of the taxes listed above plus the alternative minimum tax and the advance earned income credit payments received. Alternative minimum tax is tabulated in this report as part of "total income tax" and is one of the criteria for determining the taxable or nontaxable classification of a return. Advance earned income credit payments are shown as a separate item in computing total tax liability, balance due, or refund. (See also "Taxable and Nontaxable Returns" and "Total Income Tax".)

All Other Taxpayments
(lines 57-60, Form 1040)

"All other taxpayments" included the tax paid with requests for a filing extension, excess social security or railroad retirement taxes, credit for tax on gasoline and special fuels, and the credit for tax paid on undistributed capital gains by a regulated investment company.

Alternative Minimum Tax
(line 49, Form 1040)

The alternative minimum tax was levied on benefits received in the form of deductions and exclusions which reduced an individual's regular effective tax rate. These benefits are known as "alternative minimum tax preferences and adjustments" because they result from the preferential treatment that the tax law gives to particular income and expense items.

Alternative minimum taxable income (line 8, Form 6251) was defined as taxable income with certain adjustments plus the amount of tax preference items. Alternative minimum taxable income was then reduced by an exemption amount determined by filing status and income. If the return was filed jointly by a married couple or a surviving spouse, the maximum amount was \$40,000. The maximum amount for single or head of household taxpayers was \$30,000, and for married couples filing separately, \$20,000.

If there was an amount remaining after subtracting the exemption, it was multiplied by the alternative minimum tax rate of 21 percent and then reduced by the recalculated alternative minimum tax foreign tax credit. This amount was then reduced by the regular income tax before credits (line 38, Form 1040) minus the regular foreign tax credit, line 43, Form 1040) to arrive at the alternative minimum tax.

Business or Profession Net Income or Loss
(line 12, Form 1040)

This source of income was reported by individuals who were sole proprietors of a nonfarm business, including self-employed members of a profession.

If two or more sole proprietorships were operated by the same taxpayer(s), the single amount of net income or loss included in adjusted gross income represented the combined net income and loss from all sole proprietorships. The proprietor was required to exclude investment income from business profits and to include it, instead, with the various types of investment income for which separate provision was made on the individual income tax return.

Business costs and expenses were deductible from gross receipts or gross sales in arriving at net profit or loss. Compensation of the proprietor was taxable income and, therefore, not allowed as a business deduction in computing net income. The deduction of net operating losses from other years was not considered a business expense, but was offset, instead, against "other income" on the proprietor's income tax return.

Information on sole proprietorships, business receipts, and expenditures can be found in the annual summer issue of the *Statistics of Income Bulletin*.

Capital Assets

See "Sales of Capital Assets Net Gain or Loss."

Capital Gain Distributions Reported on Form 1040 (line 14, Form 1040)

These distributions included long-term capital gains either credited or distributed to individual taxpayers by regulated investment companies, mutual funds, and real estate investment trusts. Usually, taxpayers reported capital gains distributions on Schedule D (Capital Gains and Losses), but they could enter the distributions directly on line 14 of Form 1040 if they had no other gains or losses to report on Schedule D.

Capital Gains and Losses

See "Sales of Capital Assets Net Gain or Loss."

Casualty and Theft Loss, Nonbusiness
(line 18, Schedule A)

Nonbusiness casualty and theft losses were deductible from adjusted gross income to the extent that the nonreimbursable net loss for each such casualty or theft exceeded \$100, and the combined amount for all net losses during the year exceeded 10 percent of adjusted gross income. Beginning with 1987 a deduction for a casualty or theft loss covered by insurance could not be claimed unless a timely insurance claim for reimbursement was made.

Child Care Credit
(line 41, Form 1040)

This credit could be claimed by taxpayers who, while employed, incurred expenses for the care of dependent children under age 15 or disabled dependents. Qualifying expenses included those for services performed within the home by nondependent babysitters, maids, or cooks. Expenditures paid for the care of children under the age of 15 or any other qualified individuals for out-of-home non-institutional care qualified for the child care credit.

The maximum amount of employment-related expenses to which the credit could be applied was the lesser of earned income or \$2,400 if one qualifying child or dependent was involved and the lesser of earned income or \$4,800 if more than one dependent was involved. The credit was equal to 30 percent of expenses related to employment for taxpayers with adjusted gross income of \$10,000 or less. The credit was reduced by one percentage point for each \$2,000 increment of adjusted gross income in excess of \$10,000 up to \$28,000. The credit remained at 20 percent of expenses for individuals with adjusted gross income of \$28,000 or more.

The amount of the credit which could be claimed was limited to income tax before credits, and any excess was not refundable.

Contributions Deduction
(line 17, Schedule A)

Taxpayers could deduct contributions to organizations that were religious, charitable, educational, scientific, or literary in purpose. Contributions could be in cash, property, or out-of-pocket expenses that a taxpayer paid to do volunteer work for a qualified organization. Contributions were allowed only as an itemized deduction on Schedule A.

Credit for Federal Tax on Gasoline and Special Fuels (line 59, Form 1040)

This was a credit (claimed on Form 4136) allowed for Federal excise taxes paid on gasoline and special fuels, such as gasohol and diesel fuel, if they were used in a trade or business. The excise taxes could be applied as a credit to reduce unpaid total tax liability or they could be refunded. A one-time credit (or refund) was allowed to the original purchaser of a new, qualified diesel-powered highway vehicle after January 1, 1985.

Credit for the Elderly and Disabled (line 42, Form 1040)

A credit (claimed on Schedule R) for the elderly and permanently and totally disabled was available to taxpayers age 65 or older (within certain income limitations) and to those taxpayers under age 65, retired with a permanent and total disability who had received taxable income from a public or private employer because of that disability. An individual was considered permanently and totally disabled if he or she was medically determined to be "unable to engage in any substantial gainful activity because of a physical or mental impairment which could result in death or last 12 continuous months or more."

Generally, if a taxpayer's income was high enough to require the reporting of social security

benefits as taxable income, the taxpayer could not take the credit. The maximum credit available was \$1,125 and was limited to total income tax with any excess not refundable.

Credit from Regulated Investment Companies (line 60, Form 1040)

Taxpayers were required to include in gross income any amounts which were allocated to them as undistributed capital gains of regulated investment companies. If investment companies paid tax on the capital gain, taxpayers were entitled to claim a refundable credit for their proportionate share of the tax paid.

Credit to 1989 Estimated Tax (line 64, Form 1040)

This credit was the part of the overpayment of 1988 tax which taxpayers specifically requested to be credited to their estimated tax for 1989. (See also "Overpayment" and "Estimated Tax Payments.")

Dividends (line 9, Form 1040)

Dividend income consisted of distributions of money, stock, or other property received by taxpayers from domestic and foreign corporations, either received directly or passed through estates, trusts, or partnerships. Dividends also included distributions from money market mutual funds.

Dividends did not include nontaxable distributions of stock or stock rights, returns of capital, capital gain, or liquidation distributions. Taxpayers were also instructed to exclude so-called dividends on deposits or withdrawable accounts in mutual savings banks, cooperative banks, savings and loan associations, and credit unions, which were to be treated as interest income.

Earned Income Credit # (line 56, Form 1040)

This was a credit available to low-income workers who had a child living with them for more than half the year and had earned income with both earned income and adjusted gross income less than \$18,576. The credit was based on earned income, consisting of wages, salaries, and other employee compensation, plus net earnings from self-employment. Taxpayers could not take the credit if their filing status was single or married filing separately, or they claimed the foreign income exclusion.

The maximum credit for 1988 was \$874, and the amount not used to offset income tax liability could be refunded. For this report, the earned income credit was divided into three parts: the amount used to offset income tax before credits (limited to the amount needed to reduce income tax after credits to zero); the amount used to offset all other taxes (limited to the amount needed to reduce total tax liability to zero); and the refundable portion. (See also "Advance Earned Income Credit Payments.")

Employee Business Expenses (line 24, Form 1040 for reimbursed expenses) (line 20, Schedule A for unreimbursed expenses)

Beginning with 1987, only reimbursed business expenses that were included in income could be deducted by an employee as an "adjustment" to adjusted gross income. Unreimbursed employee business expenses were allowed only as a "miscellaneous itemized deduction" on Schedule A, limited, along with other miscellaneous itemized deductions, to the amount that exceeded 2 percent of adjusted gross income. Employee business expenses included the cost of transportation, meals, lodging, and entertainment while away from home in the performance of services as an employee. Only 80 percent of business-related meal and entertainment expenses were eligible for deduction.

If employees accounted for deductible expenses to their employers, they were not required to report the reimbursement in income unless the amount of reimbursement exceeded expenses.

Estate or Trust Net Income or Loss
(line 37, Schedule E, Part III)

This was the beneficiary's share of fiduciary income (with the exception of the items described below which were reported separately) from any estate or trust. Income from estates or trusts included amounts required to be distributed, amounts credited to beneficiaries' accounts from current-year fiduciary income (whether or not actually received), and any other amounts which were properly paid, credited, or required to be distributed for that year.

Taxpayers excluded from estate or trust income their share of dividends and gains or losses from sales of capital assets and other property. Such income (which made up the largest portion of income from estates or trusts) was included on the tax return on the separate lines provided for these income types and was not separately identified for the statistics. A loss from an estate or trust was allocated to the beneficiary only upon settlement or termination of an estate or trust and was limited by the "passive loss" rules.

For the tables, if a return showed net income from one estate or trust, and a net loss from another, that return was tabulated in both the "total income" and "total loss" columns. The columns labeled "net income" and "net loss" represent the sum of all income and losses reported from all estates or trusts, i.e., the net amount computed on a return-by-return basis.

Estimated Tax Payments
(line 55, Form 1040)

This figure represented the total of the tax payments made for 1988 using Form 1040ES and

any overpayment from the taxpayer's 1987 return that was applied to 1988 estimated tax. Individuals were required to make estimated tax payments if their estimated tax for the year exceeded \$500, or exceeded their withholding by \$500.

Excess Social Security Taxes Withheld
(line 58, Form 1040)

If taxpayers received more than \$45,000 (\$33,600 for railroad employees) from two or more employers in 1988, too much social security (FICA) or Railroad Retirement Act (RTTA) tax may have been withheld from their wages. The excess social security tax withheld could be taken as a credit toward payment of the taxpayer's income tax. In the case of a joint return, the credit was computed separately for each taxpayer.

Exemptions #
(lines 6, 36, Form 1040)

In the computation of taxable income, a \$1,950 deduction was allowed for each exemption claimed. In general, an exemption was allowed for each of the taxpayers and dependents shown on a return. Dependents filing a separate return who could be claimed as a dependent by another taxpayer were not allowed to claim their own exemption.

In general, an individual qualified as a dependent if that person:

- had gross income less than \$1,950 (this did not apply if the person was the taxpayer's child and was either under 19 years old or a full-time student);
- received more than half of his or her support from the taxpayer;
- was either related to the taxpayer (such as a son, daughter, or parent) or a member of the same household for the whole year;

- did not file a joint return with his or her spouse; and
- met certain citizenship requirements.

Farm Net Income or Loss
(line 19, Form 1040)

This source of income was reported by individuals who were sole proprietors of a farm. When there were two or more farms operated by the same taxpayer, the single amount of profit or loss included in adjusted gross income represented the combined profit and loss from all farming activities. Farm business costs and expenses were deductible from farm gross business receipts in arriving at farm net profit or loss.

Gains from certain sales of livestock and crops that qualified for capital gains treatment were excluded from farm net profit or loss and included in capital gains. Farm rental income was included in rent net income or loss. (See also "Farm Rental Income or Loss.")

Farm Rental Income or Loss
(line 28, Schedule E)

Taxpayers were required to report farm rental income and expenses separately from other farm profit or loss if they:

- received income that was based on crops or livestock produced by the tenant, and
- did not manage or operate the farm to any great extent.

Filing Status

See "Marital Filing Status."

Foreign Earned Income Exclusion
(line 22, Form 1040)

Qualified taxpayers could exclude from gross income a certain amount of their foreign earned income and employer-provided foreign housing

expenses if their home for tax purposes was in a foreign country.

Qualified individuals were limited to the lesser of a \$70,000 exclusion or their total foreign earned income. Also, they could elect to exclude a portion of employer-provided foreign housing expenses. If the taxpayer elected to take both the foreign earned income and foreign housing exclusions, the total amount of both exclusions was limited to the taxpayer's total foreign earned income.

In this report, the foreign earned income exclusion includes the foreign housing exclusion.

Foreign Tax Credit
(line 43, Form 1040)

Individuals who paid income or excess profit taxes to a foreign country or U.S. possession could claim this credit either against Federal income tax liability or as an itemized deduction. Qualifying foreign taxes paid in excess of the allowable amount for Tax Year 1988 could be carried back 2 years and then forward 5 years.

Forfeited Interest Penalty Adjustment
(line 28, Form 1040)

Taxpayers who had paid penalties for the premature withdrawal of funds from time savings accounts or deposits could deduct those penalties as an adjustment to gross income.

General Business Credit
(line 44, Form 1040)

The general business credit consisted of the investment credit, jobs credit, alcohol fuel credit, low-income housing credit, and the research credit. Taxpayers claiming more than one of the business credits were required to summarize them on Form 3800, General Business Credit. The general business credit was limited to 100 percent of the first \$25,000 of tax liability and 75 percent of the excess over \$25,000 (\$12,500 for a married couple filing separately). If the current year general business credit exceeded the tax

liability limitation, the excess amount could be carried back to the 3 preceding tax years, then forward 15 years.

Home Mortgage Interest Deduction

See "Interest Paid Deduction."

Income Subject to Tax

See "Modified Taxable Income."

Income Tax After Credits

(line 47 less line 56 (earned income credit), Form 1040)

To arrive at income tax after credits, taxpayers deducted total credits (line 46, Form 1040) from income tax before credits (line 40, Form 1040). For the statistics, tax was then further reduced by the portion of the earned income credit which did not result in a negative amount. This portion of the earned income credit was included in the total credits as "earned income credit used to offset income tax before credits." Any tax remaining was tabulated as "income tax after credits."

Income Tax Before Credits

(line 40, Form 1040)

This amount consisted of the tax liability computed on "taxable income" using the tax tables, tax rate schedules, or Form 8615 (line 38) plus any additional taxes (line 39). (See also "Tax Generated.")

Income Tax Withheld

(line 54, Form 1040)

Income tax withheld included amounts deducted from salaries, wages, tips, as reported on Form W-2, and from pensions, annuities, and

certain gambling winnings as reported on Forms W-2P and W-2G. Amounts withheld from total distributions of profit-sharing, retirement plans, and individual retirement arrangements had withholding reported on Form 1099-R.

In some cases, a backup withholding rate of 20 percent was required for interest, dividend, and royalty payments, which, generally, were not subject to withholding.

Individual Retirement Arrangement Deductible Payments (line 25a and b, Form 1040)

An individual retirement arrangement (IRA) was a savings program that allowed a taxpayer to set aside money for retirement. Beginning in 1987, the deduction for IRA contributions was reduced or eliminated for taxpayers who were covered by an employer retirement plan and whose adjusted gross income exceeded certain levels. Nondeductible contributions were still allowed.

Contributions to such a plan were limited to the lesser of:

- (1) an individual's compensation for the year; or
- (2) \$2,000 (\$2,250 if a nonworking spousal IRA was included).

Such contributions could be deducted from the employee's gross income in arriving at adjusted gross income. Unless they were disabled, taxpayers could not start withdrawing funds from the account until they reached age 59-1/2. After age 70 1/2 taxpayers were required to begin withdrawals. Penalty taxes were assessed if the taxpayer failed to comply with these limitations.

Individuals could also set up an IRA to include a nonworking spouse who met certain qualifying conditions. The total IRA deduction, including both the taxpayer and nonworking spouse, could not exceed \$2,250. A spousal IRA

deduction is tabulated in the statistics as "secondary IRA payments."

To be deductible, payments to an IRA for a particular taxable year must be made not later than the due date of the individual's return for that year.

Individual Retirement Arrangement Taxable Distributions (line 16b, Form 1040)

Any money or property received from a taxpayer's IRA account was considered a distribution and, generally, had to be included in the taxpayer's gross income in the year received. An exception to this rule was tax-free "rollover" distributions from one retirement account to another.

Interest Paid Deduction # (line 13, Schedule A)

Interest expenses, except for business or investment, were divided into two categories: personal interest and deductible home mortgage interest. Personal interest included items such as credit card interest, revolving charge account interest, and interest on bank loans. Only 40 percent of personal interest was deductible for 1988, whereas 65 percent was deductible for 1987.

The rules for deducting home mortgage interest changed for 1988. The new rules were: (1) if a taxpayer took out a mortgage *before* October 14, 1987, secured by the taxpayer's main or second home, all the interest was deductible, (2) if the taxpayer's mortgage was *after* October 13, 1987, and the funds were used to buy, build, or improve that home, all interest could be deducted if the total of all mortgages on the property was \$1 million or less, and (3) taxpayers could deduct all of the interest on an additional \$100,000 of mortgages on their main or second home other than to buy, build, or improve that home.

Generally, the investment interest deduction (interest paid on money borrowed that is allocable to property held for investment) was fully

deductible up to the amount of net investment income. Interest relating to business, royalty, and rental income was deducted directly from these items and was not reflected in the interest paid statistics.

Interest Received

See "Taxable Interest/Received."

Interest, Tax-Exempt

See "Tax-Exempt Interest."

Itemized Deductions

See "Total Itemized Deductions" and specific types.

Marginal Tax Rates

Different portions of taxable income are taxed at different rates. The tax rate applied to the last dollar of income is called the "marginal tax rate" for that return. (See also "Tax Generated.")

Marital Filing Status (lines 1-5, Form 1040)

The five marital filing status classifications were:

- (1) joint returns of husbands and wives;
- (2) separate returns of husbands and wives;
- (3) returns of heads of households;
- (4) returns of surviving spouses; and
- (5) returns of single persons (not heads of households or surviving spouses).

Marital status was usually determined as of the last day of the taxable year. If one spouse died during the tax year, the other was considered married for the entire year. If a taxpayer was divorced during the tax year and did not remarry, the taxpayer was considered to be unmarried for the entire year.

Medical and Dental Expense Deduction (lines 1-4, Schedule A)

Qualified medical expenses included payments made for the diagnosis, treatment, or prevention of disease. In general, medical and dental expenses could be claimed as an itemized deduction to the extent that they exceeded 7.5 percent of adjusted gross income. Amounts paid for medicine and drugs were deductible only if they were not available except by prescription or were for insulin. Taxpayers could also deduct a maximum of \$50 per day for certain lodging expenses incurred for medical care.

Minimum Tax Credit # (line 45, Form 1040)

A minimum tax credit could be taken for 1988 by certain taxpayers who paid alternative minimum taxes for 1987. The credit was that part of the 1987 alternative minimum tax based on adjustments or preference items that deferred tax rather than caused permanent avoidance of tax. If all of the minimum tax credit could not be used for 1988, the excess could then be carried forward to later years.

Miscellaneous Itemized Deductions (lines 20-25, Schedule A)

Miscellaneous itemized deductions were divided into two tiers. The first tier included those expense items that were fully deductible while expenses in the second tier were limited to the amount that exceeded 2 percent of adjusted gross income.

Deductible Miscellaneous Deductions—

Fully deductible expenses included such items as gambling losses (limited to gains), impairment-related work expenses for handicapped people, and amortizable bond premiums.

Limited Miscellaneous Deductions—

Unreimbursed employee business expenses and those expenses of producing income were limited to the amount that exceeded 2 percent of adjusted gross income.

Modified Taxable Income #

"Modified taxable income" is the term used to describe "income subject to tax," the actual base on which tax is computed for the statistics in Tables 3.4 and 3.5. For taxpayers filing current year returns, modified taxable income is identical to "taxable income" except for those upper income taxpayers paying both average and marginal tax rates of 28 percent. For these taxpayers the deduction for personal exemptions was phased out and their "income subject to tax" became taxable income plus some or all of the exemption amount.

For prior year returns included in the 1988 statistics, a modified taxable income was computed. This was calculated by using the tax rate schedule to impute a hypothetical taxable income amount necessary to yield the given amount of tax reported.

Moving Expense Deduction (line 19, Schedule A)

An employee who had to move to a new residence as a result of changing jobs could claim certain expenses for moving and house hunting as an itemized deduction. For employees to qualify for this deduction, the new job location had to be at least 35 miles farther from the former residence than the old job was. Deductible expenses included those incurred from moving household

and personal goods as well as travel, meals, and lodging of the taxpayer and household members en route to the new residence.

Nondeductible Passive Losses #
(calculated on Form 8582)

See Changes in Law section.

Nontaxable Returns

See "Taxable and Nontaxable Returns."

Other Adjustments #
(included in line 30, Form 1040)

See "Statutory Adjustments."

Other Income
(line 22, Form 1040)

Included here were such items as prizes, awards, sweepstakes winnings, gambling winnings, recoveries of bad debts, insurance received as reimbursement for medical expenses taken as a deduction in a previous year, and any other income subject to tax for which there was no specific line provided on the return form. Any "net operating loss" in an earlier year that was carried forward and deducted for 1988 was entered as a negative amount on this line.

Other Tax Credits
(included in line 46, Form 1040)

"Other tax credits" is a residual category in the statistics and does not relate to a line item on a tax form. It included the "credit for fuel from a nonconventional source" and any other miscellaneous credits that did not belong in any other category and were used to offset income tax before credits.

Overpayment
(line 62, Form 1040)

An overpayment of tax occurred when the "taxpayments" exceeded "total tax liability," including the amount of any "refundable portion of the earned income credit." Overpayments could be refunded or credited toward the estimated tax for the following year. (See also "Credit to 1989 Estimated Tax" and "Refund.")

Overpayment of Windfall Profit Tax
(included in line 61)

A "windfall profit" excise tax was imposed on producers of crude oil, but the tax was withheld and reported by the first purchaser of such oil. If too much tax was withheld in the course of the year, the producer could claim a refund on his or her income tax return.

The excess payment was entered in the margin of the tax payments section of the Form 1040.

Partnership and S Corporation Net Income or Loss (lines 31, 32, Schedule E)

Since partnerships and S corporations (formerly Subchapter S corporations) are not taxable entities, their net profit or loss was taxed, in general, directly to the members of the partnership or shareholders in the S corporation. The profit or loss shown in the statistics was the taxpayer's share of the ordinary gain or loss of the enterprise and certain payments made to the taxpayer for the use of capital or as a salary. Net long-term capital gain retained its character in the hands of the partners or stockholders and was included in the statistics for net gain or loss from sales of capital assets.

If a return showed net income from one partnership or S corporation and a net loss from another, the two were added together and the return was tabulated by the net amount of income or loss in the appropriate column. Beginning in 1987, net income and net loss were reported

separately for passive and non-passive partnership and S corporation activities. Passive losses were limited under the new rules to the amount that could be offset by passive income.

Payment with Request for Extension of Filing Time (line 57, Form 1040)

This payment was made when the taxpayer filed Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return or Form 2688, Application for Additional Extension of Time to File. The extension gained the taxpayer an additional period of time to file a tax return, but it did not extend the time for payment of expected tax. Full payment of any tax due had to be made with the application for extension.

Payments to a Keogh Plan (line 27, Form 1040)

Self-employed individuals were allowed to contribute to a Keogh retirement plan or a "simplified employment pension" (SEP) plan for themselves and to deduct all or a part of such contributions in computing adjusted gross income. The amount which could be deducted was based on net earnings from self-employment.

Penalty Tax on Individual Retirement Arrangements (line 52, Form 1040)

If taxpayers withdrew any funds from an Individual Retirement Arrangement or qualified retirement plan before they were either age 59-1/2 or disabled, they were subject to a penalty tax equal to 10 percent of the premature distribution. Any taxpayer who failed to withdraw the minimum required distribution after reaching age 70-1/2 had to pay a 50-percent excise tax on the excess accumulation. Contributions to the

retirement arrangement in excess of the legal limitation for the year (the lesser of \$2,000 or the taxpayer's compensation for the year) were subject to an excise tax equal to 6 percent of the excess contribution.

Pensions and Annuities (lines 17a, 17b, Form 1040)

Generally, pensions are periodic income received after retirement for past services with an employer, while annuities are income payable at stated intervals after payment of a specific premium. A taxpayer could acquire a pension or annuity either by purchase from a commercial organization (usually life insurance, endowment, or annuity contracts) or under a plan or contract connected with the taxpayer's employment. Those pensions or annuities obtained in connection with employment could be purchased entirely by the taxpayer or could be financed in part (a contributory plan) or in whole (a non-contributory plan) by contributions of the employer.

Since a non-contributory pension was paid for entirely by an employer, the amount received by the employee was fully taxable. This fully taxable pension was reported on lines 17a and b. For the taxpayer who participated in a contributory retirement plan while employed, the amount received was only partially taxable. In general, the amount excludable from gross income, the nontaxable portion, represented the taxpayer's contributions under the plan, while the taxable portion represented the employer's contribution and earnings on the entire investment. The nontaxable portion had to be amortized over the expected lifetime of the taxpayer.

The entire amount of pensions and annuities received for the year was reported on line 17a of the Form 1040. The taxable portion was computed on a separate worksheet and entered on line 17b, "Taxable amount."

Predetermined Estimated Tax Penalty (included in line 65, Form 1040)

If a return showed taxes of \$500 or more owed on line 65 (tax due at time of filing) *and* this amount was more than 10 percent of the total tax, taxpayers could owe a penalty. Also, taxpayers could owe a penalty if they underpaid their 1988 estimated tax liability for any payment period. Form 2210 was used to determine the amount of a penalty, if any.

Refund (line 63, Form 1040)

A refund of tax included all overpayments of income taxes not applied by the taxpayer as a credit to the next year's estimated tax. (See also "Overpayment.")

Regular Tax Computation

Typically, the taxpayer, in determining the amount of "tax generated," first computed taxable income. Depending on marital status and size of taxable income, the taxpayer then used the tax tables or applied the rates from one of four tax rate schedules to determine tax. Returns of taxpayers who had taxes computed by the Internal Revenue Service were classified under the regular tax computation method.

Rent Net Income or Loss # (line 23, columns A,B,C, Schedule E)

Rent net income or loss was a part of adjusted gross income and was determined by deducting from gross rent, the amounts for depreciation, repairs, improvements, interest, taxes, commissions, advertising, utilities, insurance, janitorial services, and any other allowable expenses related to the rented property. Beginning with 1987, new "passive loss" rules limited the losses that could be claimed for rental activities, and for 1988 losses were further

limited. In the statistics, total rental net loss includes passive losses that were not deductible in figuring AGI. (Passive losses are discussed under Changes in Law.)

Royalty Net Income or Loss (line 23, columns A,B,C, Schedule E)

Net royalties consisted of gross royalties less deductions for depletion, depreciation, office rent, legal fees, clerical help, interest, taxes, and similar items. Gross royalties included revenues from oil, gas, and other mineral rights; revenue from patents; and revenue from literary, musical, or artistic works. Certain royalties received under a lease agreement on timber, coal, and domestic iron ore were eligible for capital gains or ordinary loss treatment under Code section 1231, and, as a result of the separate computation required by that section, are reflected in the statistics for "sales of capital assets" and "sales of property other than capital assets."

S Corporations

See "Partnership and S Corporation Net Income or Loss."

Salaries and Wages (line 7, Form 1040)

Salaries and wages as reported on the tax return were amounts of compensation primarily for personal services. The following items were included:

- salaries,
- wages,
- commissions,
- bonuses,
- tips,
- fees,
- excess reimbursement over employee business expenses,
- moving expense allowances,

- the difference between the fair market value of certain property and the discount price for which it was purchased by a taxpayer from his employer,
- severance pay,
- sick pay,
- the employee's portion of social security tax,
- exercising a stock appreciation right,
- vacation allowances,
- most disability payments,
- strike and lockout benefits, and
- the value of non-monetary payments for services (e.g., merchandise, accommodations, certain meals or lodging, certain stock purchase plans, or property).

Identifiable amounts for any of these categories which may have been reported by taxpayers as "other income" were treated as salaries and wages for the statistics.

Sales of Capital Assets Net Gain or Loss # (line 13, Form 1040)

In general, capital assets for tax purposes included all property held for personal use or investment. Examples of such assets were personal residences, furniture, automobiles, and stocks and bonds. Most assets used for business activities were specifically excluded from treatment as capital assets. (See also "Sales of Property Other Than Capital Assets, Net Gain or Loss.")

The following concepts were used in the computation of net capital gain or loss for this report:

Net capital gain—If the combination of net short-term gain or loss and net long-term gain or loss resulted in a positive amount, the taxpayer had a net capital gain. The full amount of this gain, whether short-term or long-term was

included in adjusted gross income. For property acquired after 1987, the holding period was one year or less for a short-term gain or loss and more than one year for a long-term gain or loss.

Net capital gain also included capital gain distributions which were not reported on Schedule D (Capital Gains and Losses and Reconciliation of Forms 1099-B). These capital gain distributions were entered directly on line 14 of Form 1040 if the taxpayer did not have any other gains or losses to report on Schedule D. These distributions were, by definition, long-term capital gains. (See also "Capital Gain Distributions Reported on Form 1040.")

Net capital loss—If the combination of net short-term gain or loss and net long-term gain or loss resulted in a negative amount, the taxpayer showed a net capital loss. The amount of net capital loss to be included in adjusted gross income was limited to the smaller of the actual net capital loss or \$3,000 (\$1,500 for married persons filing separately). Any excess capital losses over the \$3,000 limit could be carried over to subsequent tax years ("capital loss carryover" in the statistics).

Sales of Property Other Than Capital Assets, Net Gain or Loss (line 15, Form 1040)

Property other than capital assets generally included property of a business nature, in contrast to personal and investment property which were capital assets. Some types of property specifically included in this group were:

- (1) certain depreciable, depletable, and real business property;
- (2) accounts and notes receivable in the ordinary course of business generated from the sale of goods and services ordinarily held for sale by the business or includable in the inventory of the business;

- (3) certain copyrights; literary, musical, or artistic compositions; or similar properties; and
- (4) amounts resulting from certain "involuntary conversions," including net losses from casualty and theft.

Taxpayers reported all gains and losses not receiving capital gains treatment on Form 4797, Gains and Losses From Sales or Exchanges of Assets Used in a Trade or Business and Involuntary Conversions.

Self-Employed Health Insurance (line 26, Form 1040)

Self-employed individuals could deduct as an adjustment to income up to 25 percent of the amount paid for medical insurance for themselves and their families. The balance of the cost was included with other medical care expenses as an itemized deduction subject to the 7.5 percent deduction threshold based on AGI. However, self-employed persons were not allowed this deduction if they or their spouses were employees and eligible to participate in an employer-subsidized health plan.

Self-Employment Tax # (line 48, Form 1040)

This tax, levied under the social security system, was reported by most individuals who had self-employment earnings of at least \$400 derived from a sole proprietorship or from any share of partnership profits. Some types of income (such as dividends, interest, and capital gains and losses) and certain deductions (such as net operating losses, and casualty and theft losses) were not allowed in computing self-employment earnings.

The maximum net earnings subject to self-employment tax for 1988 increased to

\$45,000 from \$43,800 for 1987. The net self-employment tax rate for 1988 increased to 13.02 percent from 12.30 percent for 1987.

Size of Adjusted Gross Income (line 31, Form 1040)

The amount of adjusted gross income reported by the taxpayer on the return was the basis for classifying data by size of adjusted gross income. Returns without positive adjusted gross income, such as deficit returns or returns on which income and loss were equal, were classified as having "no adjusted gross income" and appear as a separate class in most basic tables. The absence of a class labeled "no adjusted gross income" indicates that any deficit or breakeven returns in a table were included in the lowest income size class.

Social Security Benefits (lines 21a, 21b, Form 1040)

Social security benefits include any monthly benefit under title II of the Social Security Act or the part of a "tier 1 railroad retirement benefit" that was equivalent to a social security benefit. Social security benefits are not taxable unless the taxpayer's other income exceeds certain levels. The maximum amount taxed was one half of the net social security benefits received. Social security benefits received were reported on Form 1040, line 21a with only the taxable portion reported on line 21b. Taxpayers who had no taxable benefits were not required to show the total benefit on their income tax returns.

Social Security Taxes on Tip Income (line 51, Form 1040)

This amount consisted of social security tax on unreported tip income and uncollected employee social security tax on tips.

Cash tips amounting to \$20 or more that the taxpayer received in a month while working for any one employer were subject to withholding of income tax and social security tax (this included the equivalent railroad retirement tax). If the employer was unable to withhold the social security tax, the amount of uncollected social security tax on tips was indicated on the employee's Form W-2, and the taxpayer was required to report the uncollected tax and pay it with the Form 1040. If the employee did not report the tips to the employer, the employee was required to compute the social security tax on unreported tips on Form 4137 and attach it to Form 1040.

Standard Deduction # (line 34, Form 1040)

For 1988, the *basic* standard deduction was increased for taxpayers under 65, which made it equal to the basic deduction for those who were age 65 or over or blind. Taxpayers who were age 65 or over or blind could claim an *additional* standard deduction amount of \$600 or \$750. Both the basic and additional standard deduction were determined by filing status, as shown below.

Single

- Basic deduction of \$3,000;
- Each taxpayer 65 or over or blind was allowed an additional \$750 deduction each for age and blindness.

Married filing jointly or qualifying widow(er)

- Basic deduction of \$5,000;
- Each taxpayer 65 or over or blind was allowed an additional \$600 deduction each for age and blindness.

Married, filing separately

- Basic deduction of \$2,500;
- Each taxpayer 65 or over or blind was allowed an additional \$600 deduction each for age and blindness.

Head of household

- Basic deduction of \$4,400;
- Each taxpayer 65 or over or blind was allowed an additional \$750 deduction each for age and blindness.

In the statistics, the basic standard deduction was tabulated for all taxpayers who claimed it, including those who were 65 or over or blind. The "additional standard deduction" total included only the additional amount that was taken by those taxpayers who were 65 or over or blind.

State Income Tax Refunds (line 10, Form 1040)

These amounts were the refunds of State income tax that were claimed as itemized deductions in a prior year.

Statutory Adjustments # (lines 24-30, Form 1040)

These were certain adjustments to gross income allowed as deductions in arriving at adjusted gross income. For 1988, statutory adjustments included reimbursed employee business expenses, payments to a self-employed Keogh retirement plan or a "simplified employee pension" (SEP), forfeited interest penalty, payments to an individual retirement arrangement (IRA), alimony paid, the self-employed health insurance deduction, and the foreign housing deduction. Each of the above is described separately in this section. In addition, statutory adjustments included the forestation/reforestation amortization deduction and the repayment of supplemental unemployment benefits under the Trade Act of 1974. These amounts were included in the "Other Adjustments" category in the statistics.

Tax Due at Time of Filing
(line 65, Form 1040)

"Tax due" was reported on returns on which "total tax liability" exceeded "total tax-payments."

Tax From Recomputing Prior-Year Investment Credit (line 50, Form 1040)

The investment tax credit provisions of the law included a recapture rule which required taxpayers to pay back all or a portion of any investment credit previously taken on property disposed of before the end of the useful life claimed in computing the credit. The law specified that if property qualifying for the credit was disposed of before the end of its intended useful life, the tax for the year of disposal was increased by the difference between the credit originally claimed and the credit that would have been allowed based on the shorter actual life. Tax credits could not be applied against this additional tax.

Tax Generated #
(line 38, Form 1040)

This amount was the tax computed on modified taxable income. (See also "Modified Taxable Income.") For 1988, there were two basic tax rates, 15 and 28 percent. However, taxable income over certain levels (from \$43,150 to \$89,560 if single, \$35,950 to \$113,300 if married filing separately, \$61,650 to \$123,790 if head of household, and \$71,900 to \$149,250 if married filing jointly or a qualifying widow(er)) was subject to an additional 5 percent tax. This meant that a 33 percent marginal tax rate was applied to this part of taxable income with the purpose of phasing out the benefit of the 15 percent tax rate. For income levels higher than those shown above for each filing status, the

personal exemption deduction for taxpayers and dependents was phased out and the marginal tax rate then dropped to 28 percent. The tax generated at each of these tax rates is shown in Tables 3.4 and 3.5. Also, if children under age 14 had investment income that exceeded \$1,000, it was taxed at the parents' rate on Form 8615 and tabulated separately in Tables 3.4 and 3.5.

On most returns, except those with additional taxes from special computations, "tax generated" equaled "income tax before credits."

Tax Rates

See "Tax Generated."

Taxable and Nontaxable Returns

The taxable and nontaxable classification of a return for this report was determined by the presence of "total income tax" (the sum of income tax after credits and the alternative minimum tax). Some returns classified as "nontaxable" may have had a liability for other taxes, such as self-employment or Railroad Retirement Tax Act (RRTA) taxes, social security taxes on tip income, tax from recomputing prior-year investment credit, penalty taxes on individual retirement arrangements, Section 72 penalty taxes, advance earned income credit payments, golden parachute payments, or uncollected employee social security tax on tips. These taxes, however, were disregarded for purposes of this classification since three of the above taxes were considered social security (rather than income) taxes, and the remaining ones, except for advance earned income payments, were either based on prior year's income or were penalty taxes.

For this report, the earned income credit was treated as an amount which, first, was used to offset income tax before credits. Since the earned income credit was refundable, it was subtracted from income tax (for the statistics) after reduction

by all other statutory credits. As a result, some returns became nontaxable strictly because of the earned income credit if there was no alternative minimum tax and the earned income credit equaled or exceeded income tax before credits reduced by any other credits.

It should be noted that classification as taxable or nontaxable was based on each return as it was originally filed and does not reflect any changes resulting from audit or other enforcement activities.

Taxable Income (line 37, Form 1040)

Taxable income was derived by subtracting from adjusted gross income any exemption amount *and* either total itemized deductions or the standard deduction. On most current year returns "taxable income" was identical to "modified taxable income" with the exception of those returns for taxpayers with taxable income over certain levels whose personal exemption amount was phased out. For prior year returns received during the current year filing period, taxable income was imputed from the amount of tax reported. (See "Modified Taxable Income.")

Taxable Interest Received (line 8a, Form 1040)

This amount was the taxable portion of interest received from bonds, debentures, notes, mortgages, certain insurance policy proceeds, personal loans, bank deposits, savings accounts, tax refunds, and U.S. savings bonds. Also included as interest were "dividends" on deposits or withdrawable accounts in mutual savings banks, cooperative banks, savings and loan associations, and credit unions. Most interest on State or local government obligations remained tax-exempt, but the total tax-exempt interest had to be reported on line 8b of Form 1040. It was

not included in the taxpayer's income. (See also "Tax-Exempt Interest.")

Taxes Paid Deduction (line 8, Schedule A)

Taxes allowed as a deduction from adjusted gross income included personal property taxes, State and local income taxes, taxes paid to foreign countries or U.S. possessions (unless a foreign tax credit was claimed), and real estate taxes except those levied for improvements that tended to increase the value of the property. Mandatory employee contributions to a state disability fund and employee contributions to a state unemployment fund were also included. Federal taxes and State and local sales taxes were not deductible.

Taxes paid on business property were deducted separately on the schedules for business, rent, royalty, and farm income and are excluded from the "taxes paid" statistics in this report.

Tax-Exempt Interest # (line 8b, Form 1040)

Beginning with 1987, the amount of any tax-exempt interest received or accrued during the tax year had to be shown on the tax return. Tax-exempt interest includes interest on certain State and municipal bonds, as well as any tax-exempt interest dividends from a mutual fund or other regulated investment company. This is an information reporting requirement and does not convert tax-exempt interest to taxable interest.

Taxpayments (lines 54, 55, 57-60, Form 1040)

These payments were generally made before the return was filed and were applied against tax liability to determine any amount payable or

refundable at the time of filing. They consisted of the following:

- (1) income tax withheld, including backup withholding;
- (2) excess social security taxes or railroad retirement tax withheld;
- (3) credit for tax on certain gasoline, fuel, and oil;
- (4) estimated tax payments;
- (5) payment with request for extension of filing time;
- (6) credit from regulated investment companies; and
- (7) overpayment of windfall profit tax.

Each of the above is described under a separate heading in this section.

Although the earned income credit was included with taxpayments on the tax return itself, for the statistics it is treated partly as a credit against income tax liability and partly as a refundable amount. (See also "Earned Income Credit.")

Total Income Tax

(the sum of line 47, less earned income credit, and line 49, Form 1040)

Total income tax was the sum of "income tax after credits" (from which the earned income credit was subtracted) and the alternative minimum tax. It did not include any of the other taxes which made up "total tax liability." Total income tax was the basis for classifying returns as "taxable" or "nontaxable."

Total Itemized Deductions (line 34, Form 1040)

Itemized deductions from adjusted gross income could be claimed for medical and dental expenses, taxes paid, interest paid, contributions, casualty and theft losses, moving expenses, and miscellaneous deductions. The total amount of itemized deductions was tabulated only from returns showing positive adjusted gross income.

Total Tax Credits # (lines 46, 56, Form 1040)

For this report, total tax credits consisted of the following:

- (1) child care credit;
- (2) credit for the elderly and disabled;
- (3) foreign tax credit;
- (4) general business credit;
- (5) minimum tax credit;
- (6) other tax credits;
- (7) mortgage interest credit and any credits on prior year returns; and
- (8) earned income credit used to offset income tax before credits.

These amounts were deducted from income tax before credits to arrive at income tax after credits. For the statistics, the portion of the earned income credit which did not result in a negative amount was tabulated as "earned income credit used to offset income tax before credits." Any amount remaining of the earned income credit could be refunded or applied to other taxes.

All other credits were limited to the amount needed to offset "income tax before credits" and were not refundable.

Total Tax Liability

(line 53 modified by the earned income credit, Form 1040)

Total tax liability was the sum of income tax after credits, alternative minimum tax, self-employment or railroad retirement taxes, social security tax on tips, tax from recomputing prior-year investment credits, taxes from individual retirement arrangements, Section 72 penalty taxes, and tax on golden parachute payments. These taxes were then reduced by the "earned income credit used to offset all other taxes" (defined under "Earned Income Credit"). For the statistics, unlike the Form 1040, total tax liability did not include any advance earned income credit payments.

Type of Tax Computation #

(line 38, Form 1040)

Tabulations in Table 3.1 include two methods of computing the tax on income subject to tax. These methods were:

- (1) regular tax, as computed from the tax tables or tax rate schedules accompanying the Forms 1040,

1040A, or 1040EZ (see also "Regular Tax Computation"); and

- (2) Form 8615, used to compute the tax on investment income of children under 14.

Unemployment Compensation

(line 20, Form 1040)

Beginning in 1987, all unemployment compensation had to be included in income.

Unreimbursed Employee Business Expenses

(line 20, Schedule A)

See "Employee Business Expenses."

Section 6

1988 Forms and Instructions

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1040 U.S. Individual Income Tax Return 1988

For the year Jan. Dec. 31, 1988, or other tax year beginning 1988 ending

OMB No. 1545-0074

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Presidential Election Campaign

Do you want \$1 to go to this fund?

If you answer "yes," you will receive your refund

Yes

No

Yes

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Yes

Filing Status

1 Single

2 Married filing jointly (even if only one had income)

3 Married filing separately (each spouse's social security number must be entered on a separate line)

4 Head of household (with qualifying person) (See page 7 of instructions)

5 Qualifying widow(er) with dependent child (year spouse died) (See page 7 of instructions)

6a Yourself (If someone such as your parent can claim you as a dependent, do not check box 6a)

6b Spouse

6c Dependents (If you have a dependent, enter the name of the dependent on line 33b on page 2)

6d If your child died, line with you but is claimed as your dependent under a pre-1985 agreement, check here

6e Total number of exemptions claimed

7 Wages, salaries, tips, etc. (attach Form(s) W-2)

8 Taxable interest income (also attach Schedule B if over \$400)

9 Tax-exempt interest income (see page 11) (DON'T include on line 8a, 8b)

10 Dividend income (also attach Schedule D if over \$400)

11 Taxable refunds of state and local income taxes, if any, from worksheet on page 11 of instructions

12 Alimony received

13 Business income or (loss) (attach Schedule C)

14 Capital gain or (loss) (attach Schedule D)

15 Other gains or (losses) (attach Form 4797)

16a Total IRA distributions

16b Taxable amount (see page 11)

17a Total pensions and annuities

17b Taxable amount (see page 12)

18 Rents, royalties, partnerships, estates, trusts, etc. (attach Schedule E)

19 Farm income or (loss) (attach Schedule F)

20 Unemployment compensation (insurance) (see page 13)

21a Social security benefits (see page 13)

21b Taxable amount, if any, from the worksheet on page 13

22 Other income (list type and amount—see page 13)

23 Add the amounts shown in the far right column to lines 7 through 22. This is your total income

24 Reimbursements for business expenses from Form 2106, line 13

25a Your IRA deduction, from applicable worksheet on page 14 or 15

25b Spouse's IRA deduction, from applicable worksheet on page 14 or 15

26 Sell employed health insurance deduction, from worksheet on page 15

27 Weigh retirement plan and self-employed SEP deduction

28 Penalty on early withdrawal of savings

29 Alimony paid (recipient's last name and social security number)

30 Add lines 24 through 29. These are your total adjustments

31 Subtract line 30 from line 23. This is your adjusted gross income. If this line is less than \$18,576 and a child lived with you, see "Earned Income Credit" (line 56) on page 19 of the instructions. If you want IRS to

Instructions for

Form 1040

and Schedules
A, B, C, D, E, F,
and SE

1988



What's Inside?

- A note from the Commissioner (page 2)
- What's new for 1988 (page 2)
- Free tax help (page 4)
- Avoid common mistakes (page 22)
- Tax table (page 45)
- How to order forms and publications (page 56)
- How to make a gift to reduce America's debt (page 22)
- Index (page 60)

Note:
This booklet does not
contain any tax forms.

From the Commissioner

Dear Taxpayer,

Thanks for your special effort in making last year's tax filing season a success. Most people filed promptly and got their refunds on time.

I pledge my personal effort and that of the IRS to search for new and better ways to reduce the burden placed on you, our valued customers. I also pledge that we at IRS will continue to improve the quality of the service we are providing to you.

Working together with you, I believe we jointly can find ways to make taxes less taxing for all of us.

Lawrence B. Gibbs
Commissioner of Internal Revenue

What's New for 1988?

Reduced Tax Rates. Most of the rates have been reduced. The tax table and tax rate schedules use the reduced rates—with a phase-out of the lowest rate for higher income individuals.

Increased Deduction for Exemptions. The deduction for each exemption—for you, your spouse, and dependents—has increased to \$1,950.

Should You Itemize Deductions or Take the Standard Deduction?

For most people, the standard deduction has increased. Because of this increase, it may be to your benefit to take the standard deduction for 1988 even though you itemized deductions in past years. Read the instructions for line 34 on page 16.

Interest Expense. Even if your deduction for home mortgage interest was limited in 1987, you will probably be able to deduct all of the interest on your mortgage for 1988. See Schedule A instructions for more details.

Increased Earned Income Credit. You may be able to take this credit if you

earned less than \$18,576 and a child lived with you (The limit was \$15,432 last year.) Read the instructions for line 56 on page 19.

Additional Information. If you want more information about these and other tax law changes, get **Pub. 553, Highlights of 1988 Tax Changes.** You may also find the publications listed at the end of this booklet helpful in completing your return.

New Publication. You have the right to be treated fairly, professionally,

promptly, and courteously by IRS employees. Our goal is to make sure that your rights are protected, so that you will have the highest confidence in the integrity, efficiency, and fairness of our tax system. To ensure that you always receive such treatment, you should know about the many rights you have at each step of the tax process.

New Pub. 1, Your Rights as a Taxpayer, tells you about many of these rights.

New Filing Locations. You may have to send your return to a different address this year. Use the envelope that came with your booklet or see **Where To File** on page 5.

What To Look For in 1989

Supplemental Medicare Premium. If you will be eligible for Medicare, Part A benefits (hospital insurance) by June 30, 1989, you may have to pay a supplemental medicare premium. You will pay it with your tax return next year. The premium will help pay the cost of the new medicare coverage for catastrophic expenses and prescription drugs.

The premium will apply if your income tax for 1989 will be \$150 or more. The premium is \$22.50 on each \$150 of income tax. The premium cannot exceed \$800 for each person covered by Medicare, Part A (\$1,600 for certain married persons filing a separate return). So that you won't have to pay too much with your return next year, you may wish to increase your income tax withholding or estimated tax payments in 1989. See **Pub. 934, Supplemental Medicare Premium,** for details.

Privacy Act and Paperwork Reduction Act Notice

The Privacy Act of 1974 and Paperwork Reduction Act of 1980 say that when we ask you for information, we must first tell you several things: our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you whether your response is voluntary or required to obtain a benefit, or mandatory under the law.

This applies to tax returns and any papers filed with them. It also applies to any questions we need to ask you so we can complete, correct, or process your return, figure your tax, and collect tax interest, or penalties.

Your legal right to ask for information is in Internal Revenue Code sections 6001 and 6011 and 6012(a)(9). These sections say that you must file a return or statement with us for any tax you are liable for. Your response is mandatory under these sections. This is so we know who you are, and can process your return and papers.

Form	Recordkeeping
1040	3 hrs., 7 min.
Sch. A (1040)	2 hrs., 47 min.
Sch. B (1040)	33 min.
Sch. C (1040)	7 hrs., 4 min.
Sch. D (1040)	1 hr., 2 min.
Sch. E (1040)	3 hrs., 12 min.
Sch. F (1040)	10 hrs., 53 min.
Sch. R (1040)	20 min.
Sch. SE (1040)	20 min.
Short	20 min.
Long	26 min.

We Welcome Comments on Forms:

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms more simple, we would be happy to hear from you. You can write to the **Internal Revenue Service**, Washington, DC 20224, Attention: **IRS Reports Clearance Officer**, TR FP, or the **Office of Management and Budget**, Paperwork Reduction Project, Washington, DC 20503.

DO NOT send your return to either of these offices. See **Where To File** on page 5.

How To Use This Instruction Booklet

The instructions are divided into five main sections:

You must fill in all parts of the tax form that apply to you. Code section 6109 and its regulations say that you must show your social security number on what you file. You do not have to check the boxes for the Presidential Election Campaign Fund.

We ask for tax return information to carry out the tax laws of the United States. We need it to figure and collect the right amount of tax.

We may give the information to the agencies, as provided by law. We may also give it to cities, states, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. And we may give it to foreign governments because of tax treaties they have with the United States.

If you do not file a return, do not provide the information we ask for, or provide false information, the law says that you may be charged penalties and, in certain cases, you may be subject to criminal prosecution. We may also have to disallow the exemptions, exclusions, and deductions you claim on your return.

Learning about the law or the form	Preparing the form	Copying, assembling, and sending the form to IRS
2 hrs., 28 min.	3 hrs., 7 min.	35 min.
26 min.	1 hr., 1 min.	20 min.
8 min.	16 min.	20 min.
1 hr., 11 min.	2 hrs., 9 min.	25 min.
45 min.	54 min.	35 min.
1 hr., 2 min.	1 hr., 22 min.	35 min.
2 hrs., 2 min.	4 hrs., 10 min.	35 min.
16 min.	22 min.	35 min.
11 min.	13 min.	14 min.
22 min.	37 min.	20 min.

- **Section 1** (see page 4) explains who must file, how to choose the correct form to use, and when to file a return.
- **Section 2** (see page 5) has steps to help you prepare your return.
- **Section 3** (see page 6) has instructions for most of the lines on Form 1040.

• **Section 4** (see page 22) has general information.

• **Section 5** (see page 23) has instructions for most of the lines on many of the schedules that may be attached to Form 1040.

Page 3

What Free Tax Help Is Available?

Tax forms and publications. Most of your tax questions can be answered by reading the tax form instructions or one of our many free tax publications.

Recorded tax information by telephone. Our Tele-Tax service has recorded tax information covering about 140 topics.

Refund information. Tele-Tax can also tell you the status of your refund. For details, see Tele-Tax information.

Telephone help. IRS representatives are available to help you with your tax questions. If, after reading the tax form instructions, you are not sure about publications, you are not sure about how to fill out your return, or have a question about a notice you received from us, please call us. Use the toll-free number for your area.

Section 1—Filing Information.

Chart A—For most people

Marital status	Age	Gross income*
Single	under 65 65 or older	\$4,950 \$5,700
Head of household	under 65 65 or older	\$6,350 \$7,100
Head of household (including divorced and legally separated)	under 65 65 or older	\$6,350 \$7,100
Married with a child and living apart from your spouse during the last 6 months of 1988 (see page 7)	under 65 65 or older	\$8,900 \$9,500
Married and living with your spouse at end of 1988 (or on the date your spouse died)	under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	\$10,100 \$10,100 \$10,100
Married, separate return	any age	\$1,950
Married, joint return or separate return	any age	\$1,950
Single	under 65 65 or older	\$4,950 \$5,700
Head of household	under 65 65 or older	\$6,350 \$7,100
Qualifying widow(er) with dependent child	under 65 65 or older	\$6,950 \$7,550

* **Gross income** usually means money, goods, and property you received on which you must pay tax. It does not include nontaxable income. See page 9 of the instructions to find out which types of income you should include.

Page 4

Send IRS written questions. You may send your written tax questions to your IRS District Director. If you don't have the address, you can get it by calling the number for your area.

To find the toll-free number for your area and the pages that contain Tele-Tax information, see "Telephone Assistance—Federal Tax Information" in the Index.

Walk-in help. IRS representatives are available in many IRS offices around the country to help with tax questions that cannot be answered easily by telephone or in our publications. To find the location of the IRS office nearest you, look in the phone book under "United States Government, Internal Revenue Service."

Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE) are free and help older, handicapped, and non-English-speaking people fill out their returns.

Use **Chart A** to see if you must file a return. But, you must use **Chart B** on page 5 if someone (such as your parent) can claim you as a dependent on his or her return. Also see **Other Filing Requirements** on page 5.

To use this chart, first find your marital status at the end of 1988. Then read across to find your filing status and age at the end of 1988. You must file a return if your gross income* was at least the amount shown in the last column.

Call the toll-free telephone number for your area for details. If you received a Federal Income Tax Package in the mail, take it with you when you go for help.

Videotaped instructions for completing your return are available in either English or Spanish at many libraries.

Telephone service for the deaf is available. **Braille materials** for the blind are available at regional libraries for the blind and handicapped.

Unresolved tax problems. The **Problem Resolution Program** is for taxpayers who have been unable to resolve their problems with the IRS. You have tax normal channels, we call you local IRS Office and a Problem Resolution office. This office cannot change the tax law or technical decisions. But it can help you clear up problems that resulted from previous contacts.

number, and you file a separate return, enter "NRA" in the block for your spouse's social security number. If you and your spouse file a joint return, your spouse must get a social security number.

If you don't have a social security number, you may be able to get one by filing Form SS-5 with a local Social Security Administration office. If you don't have a number by the time you are ready to file your return, apply for one and enter "Applied for" in the block for your social security number.

Name Change. If you have changed your name because of marriage, divorce, or annulment, enter the name on your Social Security Administration (SSA) so the name on your tax return is the same as the name on your tax records. This may prevent delays in issuing your refund.

Joint Return. If you are married, filing a joint return, show the social security numbers in the same order that you show them on your SSA records. Do not use the names with an "and." For example, "John Brown and Mary Smith."

Presidential Election Campaign Fund. Congress set up this fund to help pay for the Presidential election costs. If you are checking the yes box if you are filing a joint return, your spouse may also have \$3 go to the fund.

If you check Yes, it will not change the tax or refund shown on your return.

Filing Status Lines 1 through 5. Single. You can file as single if on December 31, you were not married or separated from your spouse either by divorce or a separate maintenance decree and you do not qualify for another filing status. State law governs whether you are married, divorced, or legally separated.

If you were married on December 31, consider yourself married for the whole year. This page for **Married Persons Who Live Apart.** You may file as head of household.

If your spouse died in 1988, consider yourself married to that spouse for the whole year unless you remarried before the end of 1988.

Married. Generally, married couples will pay less tax if they file a joint return because the tax rate for married persons filing jointly is lower than the tax rate for married persons filing separately. However, as a result of some of the changes in the law, you may want to figure your tax both ways to see which filing status is to your tax benefit.

Joint Return. If you file a joint return, you must report all income, exemptions, deductions, and credits for you and your spouse. Both of you must sign the return, even if only one of you had income.

You and your spouse can file a joint return if you both are responsible for the whole year. Both of you are responsible for any tax due on the other, so if one of you does not pay, the other may have to

Note: If you file a joint return, you may not, after the due date of the return, choose to file separate returns for that year.

If your spouse died in 1988, you can file a joint return for 1988. You can also file a separate return for 1988. For details on how to file the joint return, see **Death of Taxpayer** on page 22.

Tax Tip: If you decide not to file a joint return and plan to file a separate return, see **How to Lower Your Tax by Meeting the Tests Described Below Under Married Persons Who Live Apart.**

Special Rule for Aliens. If at the end of 1988 you were a nonresident alien or dual-status alien, you may be able to file a joint return with your spouse. If you do file a joint return, you and your spouse must agree to be taxed on your combined worldwide income. For more details, get Pub. 519, U.S. Tax Guide for Aliens.

Separate Returns. You can file separate returns if both you and your spouse had income, or if only one of you had income. If you file a separate return, you each report your own income, deductions, and credits, and you are responsible only for the tax on your own return. However, if you live in a community property state, special rules apply. For details, get Pub. 555.

If you file a separate return, you generally cannot take the credit for child and dependent care expenses and you cannot take the tax credit for child care expenses. If you are a parent, you may be able to file a joint return for 1988.

Separated Parents. If you are divorced or legally separated, you may have to include income up to one-half of any social security benefits or equivalent railroad retirement benefits you received in 1988. If your spouse itemizes deductions, you cannot take the standard deduction.

If you file a separate return, enter your spouse's name in the block provided on line 3 and your spouse's social security number in the block provided for that number.

If your spouse does not file, check the box on line 6b if you can claim an exemption for your spouse. Please see **For Your Spouse** on page 8.

Married Persons Who Live Apart. Some married persons who have a child and who do not live with their spouse may file as head of household and use tax rates that are lower than those for married persons filing a separate return. This also means that you can take the standard deduction even if your spouse itemizes deductions. You may also be able to claim the earned income credit.

You should check the box on line 4 of the Head of Household, if you meet ALL 4 of the following tests:

1. You file a separate return from your spouse.

2. You paid more than half the cost to keep your home in 1988.

3. Your spouse did not live with you at any time during the last 6 months of 1988.

4. For over 6 months of 1988, your home was the main home of your child or stepchild who is a dependent.

a. you can claim as a dependent, OR you does not pay, the other may have to

b. the child's other parent claims as a dependent under the rules explained on page 9 for **Children of Divorced or Separated Parents.** (Children of Divorced or Separated Parents.)

Head of Household. If you are a person who can meet the tests for head of household are lower than the rates for single or for married filing a separate return.

You may use this filing status ONLY if on December 31, 1988, you were unmarried (including certain married persons who live apart), and you meet test 1 or 2 below.

1. You paid more than half the cost of keeping up your home for the entire year, which was the main home of your father or mother whom you can claim as a dependent, OR

2. You paid more than half the cost of keeping up the home in which you lived for more than 6 months of the year (except for temporary absences, such as for vacation or school).

a. Your unmarried child, grandchild, great-grandchild, or adopted child, or stepchild, who is a dependent under the rules explained on page 9 for **Children of Divorced or Separated Parents.** (Children of Divorced or Separated Parents.)

b. Any other relative listed below whom you can claim as a dependent.

Parent Grandparent Great-grandparent, etc. Sister Brother-in-law Sister-in-law Daughter-in-law, or if related by blood Uncle Nephew Stepfather Mother-in-law

Note: See instructions for line 6c for the definition of dependent.

Special Rules. If you receive payments under the Aid to Families with Dependent Children (AFDC) program and use them to pay part of the cost of these amounts as furnished by you, you cannot claim them as a dependent.

Qualifying Widow or Widower With a Dependent Child. If your spouse died in 1986 or 1987 and you did not remarry in 1988, you may be able to use joint return tax rates for 1988

You can figure your tax at joint return rates if you meet ALL 3 of the following tests:

1. You could have filed a joint return with your spouse for the year your spouse died, even if you didn't actually do so.

2. Your dependent child, stepchild, adopted child, or foster child lived with you (except for temporary absences, such as for vacation or school).

3. You paid over half the cost of keeping up the home for this child for the whole year.

Check the box on line 5. Qualifying widow(er) with dependent child, and show your spouse's name and social security number. Do not claim an exemption for your spouse.

If your spouse died before 1986 and you did not remarry by the end of 1988, you may check the box on line 4. If you meet the tests under **Head of Household**, Otherwise, you must file as single.

Exemptions Line 6a For Yourself. Check the box on line 6a unless someone else (such as your parent) can claim you as a dependent.

Line 6b For Your Spouse. If you file a joint return and your spouse cannot be claimed as a dependent on another person's return, check the box on line 6b. If you file a separate return, you can take an exemption for your spouse only if your spouse is not filing a return, had no someone else.

If at the end of 1988 you were divorced or legally separated, you cannot take an exemption for your former spouse (Interlocutory decree), you are considered married for the whole year.

If your spouse died in 1988 and you did not remarry in 1988, you may check the box on line 6b if you could have taken an exemption for your spouse on the date of death.

Nonresident Alien Spouse. If you do not file a joint return, you may claim an exemption for your spouse only if your spouse had no income from U.S. sources and is not the dependent of line 6b to claim an exemption for a nonresident alien spouse and enter "NRA" to the right of the word Spouse on line 6b.

Line 6c Children and Other Dependents. You can take an exemption for each person who is your dependent (defined on this page). Enter the full names and other information for your dependent children and other dependents. If you have more than six dependents, enter "more than six" in columns (1) through (5) for each of those dependents on an attached statement.

When entering the total number of dependents in the boxes to the right of line 6c, be sure to count the dependents listed on the attached sheet.

Column (2). If your dependent is under age 19, enter the number of months the dependent was under age 19 on December 31, 1988. Enter a check mark in column (2) if the dependent was age 19 or older on December 31, 1988. You must enter his or her social security number. If you don't, or if you may have to pay a penalty, you must enter "Applied for" in column (3).

If your dependent does not have a social security number, he or she may get one by filing Form SS-5 with a local Social Security Administration office. If your dependent lives in Canada or Mexico, see Pub. 501, Exemptions, Standard Deduction, and Filing Information, for details on how to get a social security number for the dependent. If the time you are ready to file your return, apply for one and enter "Applied for" in column (3).

Column (3). Enter the number of months that your dependent lived with you in 1988 (Temporary absences such as school or vacation are counted as time living in your home.) Write "12" in this column if your dependent was born or died in 1988 but was a resident of Canada or Mexico in 1988. Don't enter a number. Instead, write the letter "F" (for foreign).

Children Who Don't Live With You. If you are claiming a child under the rules **Divorced or Separated Parents**, enter the number of children who did not live with you (who lived with the other parent) in the right of line 6c labeled "No." of your children on 6c who did not live with you due to divorce or separation." You must either

a. check the box on line 6d if your divorce decree or written separation agreement was in effect before 1985 and it states that you can claim the child as your dependent, OR

b. attach Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents, or similar statement. If your divorce decree or separation agreement states that you may claim the child as your dependent, you may attach a copy of the following pages from the decree or agreement instead of Form 8332.

1. Cover page (write the other parent's social security number on this page).

2. The page that states you can claim the child as your dependent, and

3. Signature page showing the date of agreement.

Enter the total number of children who did not live with you for reasons other than divorce or separation on the line labeled "No." of other dependents listed on 6c. This includes your dependents who were not in your home or resided in Canada or Mexico during 1988.

Birth or Death of Dependent. You can take an exemption for a dependent who was born or died during 1988 if he or she met the tests for a dependent while alive. This means that a baby who lived only a few minutes can be claimed as a dependent.

For more details, get Pub. 501, Exemptions, Standard Deduction, and Filing Information.

meets ALL 5 of these tests:

1. income, 2. support, 3. married dependent, 4. citizenship or residence, and 5. relationship.

These tests are explained below.

Test 1—Income. In general, the person must have received income of at least \$1,950 of gross income. Gross income does not include non-taxable income, such as welfare benefits or non-taxable interest.

Income received by a permanently and totally disabled person for services performed at a sheltered workshop school is generally not included in gross income for purposes of the income test. Get Pub. 501 for details.

Special Rules for Your Dependent Child. Even if your child had income of \$1,950 or more, you can still claim your child as a dependent if tests 2, 3, and 4 below are met, and

a. your child was under 19 at the end of 1988, or

b. your child was enrolled as a full-time student at a school during any 5 months of 1988, or

c. your child took a full-time, on-farm training course during any 5 months of 1988. (The course had to be given by a school or a state, county, or local government agency.)

The school must have a regular teaching staff, a regular course of study, and a regularly enrolled body of students in attendance.

A school includes

a. elementary, junior, and senior high schools,

b. colleges and universities, and

c. technical, trade, and mechanical schools.

However, school does not include on-the-job training courses or correspondence schools.

Test 2—Support. In general, you must have given over half of the dependent's support in 1988. If you file a joint return, the support can be from you or your spouse. Even if you did not give over half the support, you must still be treated as having given over half of the support if you meet the tests explained on page 9 for **Children of Divorced or Separated Parents** or **Dependent Supported by Two or More Taxpayers**.

In figuring total support, you must include money the dependent used for his or her own support, such as food, clothing, shelter, medical care, recreation, and education. In figuring support, use the actual cost of these items. However, if the cost of the item is more than its fair rental value, use the fair rental value.

Do not include in support items such as food, a place to live, clothes, medical and dental care, recreation, and education. In figuring support, use the actual cost of these items. However, if the cost of the item is more than its fair rental value, use the fair rental value.

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of 1988, get Pub. 1212. List of Original Issue Discount Instruments, for information on the treatment of OID. If you held a zero coupon U.S. Treasury backed security during 1988, see Pub. 1212 to figure your taxable OID.

If you had DID for 1988, but did not receive Form 1099-DID, or if the price you paid for the instrument is more than the issue price plus accumulated OID, see Pub. 1212 for information on how to figure your taxable income.

Also include in your interest income any other periodic interest shown on Form 1099-DID.

Line 8b Tax-Exempt Interest Income

If you received any tax-exempt interest income (such as interest on certain state and municipal bonds), enter the tax-exempt interest income you received in 1988 on line 8b. Also, report any exempt interest dividends you received as a shareholder in a mutual fund or other regulated investment company. Do not include interest in your total income on line 23.

Note: Interest earned on your IRA account is not tax-exempt. Interest for purposes of the annual exclusion gift tax is based on interest on line 8b. IRA interest is deferred interest and is taxable when you receive IRA distributions.

Line 9 Dividends

Dividends are distributions of money, stock, or other property that corporations pay to stockholders. They also include dividends paid by mutual funds, trusts, partnerships, corporations, or an estate or trust. Payers include nominees or other agents.

Generally, the payer will send you a Form 1099-DIV for these dividends.

If you received, as a nominee, dividends that actually belong to someone else, see Schedule B instructions on page 27.

Caution: Be sure to give each payer of dividends your correct social security number. If the payer may have to withhold 20% of the dividends, you may also be subject to penalties.

If the total dividends, including capital gain and nontaxable distributions, are more than \$400, first fill in Schedule B (see page 27 of the instructions). If you received \$400 or less in dividends, include only the ordinary dividends on line 9.

Ordinary Dividends Include:

- **Ordinary dividends.** Assume that any dividend you receive is an ordinary dividend unless the payer tells you otherwise. Form 1099-DIV shows gross dividends in Box 1.
- **Capital gain distributions.** If you have capital gain distributions, also enter your capital gain distributions on Schedule D. If you don't need Schedule D to report any other gains or losses, enter your capital gain distributions on Form 1040, line 14.

Caution: Certain transactions, such as loans against your interest in a qualified plan, may be treated as taxable distributions and subject to penalties. For details, see Pub. 575.

Beneficiaries—Death Benefit Exclusion

If you are the beneficiary of a deceased employee or deceased former employee, amounts paid to you or your estate of an annuity or lump sum distribution of an employee may qualify for a death benefit exclusion of up to \$5,000. If you are entitled to this exclusion, add it to the cost of the pension or annuity.

Special rules apply if you are the survivor under a joint and survivor's annuity. For details, get Pub. 575.

Rollover Distributions

A rollover is a tax-free transfer of cash or other assets from one qualified employer's plan to another, or to an IRA.

Rollover distributions are generally reported to you on Form 1099-R or Form W-2P. Enter the total distribution (excluding your nondeductible contribution, if any) on line 17a. If the total on line 17a was rolled over, enter zero on line 17b. Otherwise, enter the taxable part of the distribution. Apply to partial rollovers of property.

For details on rollovers, including distributions under qualified domestic relations orders, get Pub. 575.

Lump-Sum Distributions

If you received a lump-sum distribution from a profit-sharing or retirement plan, you should receive a Form 1099-R showing the amount of the distribution. Enter the total gain part on line 17b; no entry is required on line 17a. But you may pay less tax on this distribution if you were age 50 or older on January 1, 1986, and you meet certain other conditions. For details, get Form 4972, Tax on Lump-Sum Distributions. If you use Form 4972, the taxable part of the distribution on line 17a or b of Form 1040.

Caution: If you received a premature or excess distribution from a qualified retirement plan, you may owe additional tax. For details, get Form 5329.

Worksheet—see line 10 instructions on this page (keep for your records)

1. Enter the income tax refund from Form(s) 1099-G (or similar statement).

2. Enter the amount from your 1987 Schedule A, line 26.

3. Enter on line 3 the amount shown in the instructions for line 3 of Form 1040. But if you were 65 or older on line 3 the amount from 1987, enter the amount from 1987. If you were 65 or older on line 3, enter the amount from 1987. If you were 65 or older on line 3, enter the amount from 1987. If you were 65 or older on line 3, enter the amount from 1987.

4. Subtract line 3 from line 2. Enter the result (but not less than zero).

5. Taxable part of your refund. Compare the amounts on lines 1 and 4 above, and enter the smaller amount. This is the amount you may deduct on line 10.

6. Enter the amount from line 10 of Form 1040, line 10.

7. Enter the amount from line 10 of Form 1040, line 10.

8. Enter the amount from line 10 of Form 1040, line 10.

9. Enter the amount from line 10 of Form 1040, line 10.

10. Enter the amount from line 10 of Form 1040, line 10.

11. Enter the amount from line 10 of Form 1040, line 10.

12. Enter the amount from line 10 of Form 1040, line 10.

13. Enter the amount from line 10 of Form 1040, line 10.

14. Enter the amount from line 10 of Form 1040, line 10.

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20. Enter the amount from line 10 of Form 1040, line 10.

21. Enter the amount from line 10 of Form 1040, line 10.

22. Enter the amount from line 10 of Form 1040, line 10.

23. Enter the amount from line 10 of Form 1040, line 10.

24. Enter the amount from line 10 of Form 1040, line 10.

25. Enter the amount from line 10 of Form 1040, line 10.

26. Enter the amount from line 10 of Form 1040, line 10.

27. Enter the amount from line 10 of Form 1040, line 10.

28. Enter the amount from line 10 of Form 1040, line 10.

29. Enter the amount from line 10 of Form 1040, line 10.

use the special averaging rule that applies to lump-sum distributions from qualified plans, enter 1 on line 16b. No entry is required on line 16a. If only part of your distribution is taxable, enter the total amount of the taxable distribution on line 16a.

If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b. If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b. If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b.

Nonrefundable Contributions. If you received an IRA distribution in 1988 and you made any nondeductible contributions to your IRA, part of your distribution may be nontaxable. Figure the nontaxable part of the distribution on Form 8606.

Qualified Plans. If you received an IRA distribution in 1988 and you made any nondeductible contributions to your IRA, part of your distribution may be nontaxable. Figure the nontaxable part of the distribution on Form 8606.

IRA Distributions. If you received an IRA distribution in 1988 and you made any nondeductible contributions to your IRA, part of your distribution may be nontaxable. Figure the nontaxable part of the distribution on Form 8606.

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If your pension or annuity is fully taxable, enter it on line 17b. No entry is required on line 17a.

If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b. If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b. If you received a premature or excess distribution from a qualified plan, enter the amount of the distribution on line 16b.

Other Pensions and Annuities

Annuity Starting Date Was After December 31, 1987. If your annuity starting date was after December 31, 1987, enter the amount of the annuity on line 17a. If your annuity starting date was after December 31, 1987, enter the amount of the annuity on line 17a. If your annuity starting date was after December 31, 1987, enter the amount of the annuity on line 17a.

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Other Pensions and Annuities

Pension and Annuity Worksheet (keep for your records)

1a. Enter your cost

b. Cost recovered in prior years

c. Subtract line 1b from line 1a

2. Amount received this year. Also enter this amount on Form 1040, line 17a

3. Enter amount from line 1c above

4. Taxable amount. Subtract line 3 from line 2. Enter the result (but not less than zero). Also enter this amount on Form 1040, line 17b

Note: If you had more than one pension or annuity that is not fully taxable, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040, line 17b

Caution: Certain transactions, such as loans against your interest in a qualified plan, may be treated as taxable distributions and subject to penalties. For details, see Pub. 575.

Beneficiaries—Death Benefit Exclusion

If you are the beneficiary of a deceased employee or deceased former employee, amounts paid to you or your estate of an annuity or lump sum distribution of an employee may qualify for a death benefit exclusion of up to \$5,000. If you are entitled to this exclusion, add it to the cost of the pension or annuity.

Special rules apply if you are the survivor under a joint and survivor's annuity. For details, get Pub. 575.

Rollover Distributions

A rollover is a tax-free transfer of cash or other assets from one qualified employer's plan to another, or to an IRA.

Rollover distributions are generally reported to you on Form 1099-R or Form W-2P. Enter the total distribution (excluding your nondeductible contribution, if any) on line 17a. If the total on line 17a was rolled over, enter zero on line 17b. Otherwise, enter the taxable part of the distribution. Apply to partial rollovers of property.

For details on rollovers, including distributions under qualified domestic relations orders, get Pub. 575.

Lump-Sum Distributions

If you received a lump-sum distribution from a profit-sharing or retirement plan, you should receive a Form 1099-R showing the amount of the distribution. Enter the total gain part on line 17b; no entry is required on line 17a. But you may pay less tax on this distribution if you were age 50 or older on January 1, 1986, and you meet certain other conditions. For details, get Form 4972, Tax on Lump-Sum Distributions. If you use Form 4972, the taxable part of the distribution on line 17a or b of Form 1040.

Caution: If you received a premature or excess distribution from a qualified retirement plan, you may owe additional tax. For details, get Form 5329.

If you do not meet both of the above requirements, see Pub. 575 or 721 to figure the taxable part.

To use the worksheet, you must meet both of the following requirements:

- Both you and your employer contributed to the pension or annuity.
- You were age 50 or older on January 1, 1986, and you meet certain other conditions. For details, get Form 4972, Tax on Lump-Sum Distributions. If you use Form 4972, the taxable part of the distribution on line 17a or b of Form 1040.

Caution: If you received a premature or excess distribution from a qualified retirement plan, you may owe additional tax. For details, get Form 5329.

If you do not meet both of the above requirements, see Pub. 575 or 721 to figure the taxable part.

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- Both you and your employer contributed to the pension or annuity.
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Caution: If you received a premature or excess distribution from a qualified retirement plan, you may owe additional tax. For details, get Form 5329.

If you do not meet both of the above requirements, see Pub. 575 or 721 to figure the taxable part.

Line 20**Unemployment Compensation**

Unemployment compensation (insurance) is fully taxable. By January 31, 1989, you should receive a Form RRB-1099. For more details, see Pub. 915, Social Security Benefits and Equivalent Railroad Retirement Benefits, during 1988.

Use line 20 to report the unemployment compensation you received from any source. If you received unemployment compensation from a state or local government, you should also report it on line 20.

Caution: If you made IRA contributions for 1988 and you were covered by a retirement plan at work, you may need to make a special computation. See Pub. 590 for details.

• If you repaid any benefits in 1988 and your total repayments (Box 4) were more than your total benefits for 1988 (Box 3), do not use the worksheet below. None of your benefits are taxable for 1988. But you must report the excess repayments if they were for benefits you included in gross income in an earlier year. Get Pub. 915.

• If you file Form 2555, Foreign Earned Income, or Form 4563, Exclusion of Income for Bona Fide Residents of American Samoa, or you exclude income from sources within Puerto Rico, use the worksheet in Pub. 915 instead.

Social Security Benefits Worksheet (Keep for your records)

Check only one box

☐ A. Single—enter \$25,000 on line 7 below

☐ B. Married filing a joint return—enter \$32,000 on line 7 below

☐ C. Married not filing a joint return and lived with your spouse at any time during the year—enter \$25,000 on line 7 below

☐ D. Married not filing a joint return and **did not** live with your spouse at any time during the year—enter \$25,000 on line 7 below

1. Enter the total amount from Box 5 of **ALL** your Forms SSA-1099 and Forms RRB-1099 (if applicable)

Notes: If line 1 is zero or less, stop here; none of your benefits are taxable. Otherwise, go on to line 2.

2. Divide the amount on line 1 by 2

3. Add the amounts on Form 1040, lines 7, 8a, 8b through 20, plus line 22. Do not include here any amounts from lines 16a or 17a of Form 1040, or from Box 5 of Forms SSA-1099 or RRB-1099

4. Add lines 2 and 3

5. Enter the amount from Form 1040, line 30

6. Subtract line 5 from line 4

7. Enter ☐ \$25,000 if you checked Box A or D, or ☐ 0 if you checked Box C

8. Subtract line 7 from line 6. Enter the result, but not less than zero

Note: If line 8 is zero, stop here. None of your benefits are taxable. Do not enter any amounts on lines 21a or 21b unless you checked Box D above. If you checked Box D, enter the amount on line 8 on the dotted line to the left of line 21b. If line 8 is more than zero, go on to line 9.

9. Divide the amount on line 8 by 2

10. Taxable social security benefits.

• First, enter on Form 1040, line 21a, the amount from line 1 above

• Then, enter the amount from line 9 above, and enter the smaller of the two amounts on this line and also on Form 1040, line 21b

Note: If part of your benefits are taxable for 1988 and you include benefits paid in 1988 that were for 1984 through 1987, you may be able to reduce the taxable amount shown on the worksheet. Get Pub. 915 for details.

Line 22**Other Income**

Use line 22 to report any income you can't find a place for on your return or other schedules. List the type and amount of income. If necessary, show the required information. For more details, see Pub. 525, Miscellaneous Deductions, for more information.

Taxable Income in Pub. 525. Taxable and nontaxable income.

Caution: Do not report any income from self-employment on line 22. If you do have any income from self-employment, you must use Schedule C or Schedule E. Amounts your employer paid you for business expenses that you deducted on your return are not business expenses and should be added to the wages shown on line 7 unless they were already included on your Form W-2.

Examples of income to be reported on line 22 are:

• Prizes, awards, and gambling winnings

• Proceeds from lotteries, raffles, etc., are taxable. You must report the full amount of your winnings on this line. You cannot offset losses against winnings and report net winnings.

• If you had any gambling losses, you may take them as an itemized deduction on Schedule A. However, you cannot deduct more losses than the winnings you report.

• Amounts you received for medical expenses or other items such as real estate taxes that you deducted in an earlier year if they reduced your tax. See Pub. 525 for information on how to figure the amount to report.

• Amounts you recovered on bad debts that you deducted in an earlier year.

• Fees received for jury duty and precinct election board duty

Net Operating Loss. If you had a net operating loss in an earlier year to carry forward to 1988, enter it as a minus figure on line 22. Attach a statement showing how you figured the amount. Get Pub. 536, Net Operating Losses, for more details.

Adjustments to Income**Line 24****Reimbursed Employee Business Expenses**

Use line 24 to deduct only those business expenses for which your employer (or a third party) paid or reimbursed you. Deduct your unreimbursed business expenses on Schedule A, line 20. You must complete Form 2106 to figure your deduction.

Exception: Do not complete Form 2106 if you are reimbursed by your employer for your expenses by means of an account book, diary, or similar statement, your expenses are equal to your reimbursement, and the reimbursement was not included on your Form W-2.

Form 2106. Do not deduct these expenses or report the reimbursement.

For details, see **Tax-1** information in the index (topic no. 251) or get Pub. 463, Travel Expenses, for more details.

Promoting Artists. If you worked in the performing arts for more than one employer, you may be able to deduct your

reimbursed and unreimbursed expenses related to that work on line 24. For details, see Pub. 529, Miscellaneous Deductions.

Lines 25a and 25b**Individual Retirement Arrangement (IRA) Deduction**

Use line 25a to deduct amounts contributed to your IRA. If you file a joint return, use line 25b for your spouse's IRA.

Caution: If you are covered by a retirement plan, qualified pension, profit-sharing, annuity, Keogh, SEP, etc., at work or through self-employment, your IRA deduction may be reduced or eliminated. But you can still make contributions to an IRA. If you are covered by an IRA that is not taxed until it is paid to you, your deduction is limited to the amount you contributed.

Retirement Plan: If you are covered by a retirement plan, your deduction is limited to the amount you contributed to the plan for 1988. This box should be checked even if you are not vested in the plan. You are also covered by a plan if you are self-employed and have a Keogh retirement plan.

If you were married filing a separate return and not covered by a plan but your spouse was, you are not considered to be covered by a plan for 1988. This box should be checked only if you are covered by a plan for 1988.

Caution: A pending tax law change would treat married persons filing separate returns as covered by a plan if their spouse was covered and they lived together at any time in 1988. Get Pub. 553 to find out whether this law was passed.

Not Covered by a Retirement Plan. If you (and your spouse if filing a joint return) were not covered by a plan at work, use Worksheet 1 to figure your IRA deduction.

Covered by a Retirement Plan. If you (or your spouse if filing a joint return) were covered by a plan at work, the chart on this page will tell you if you can deduct your IRA and, if you can, which worksheet to use.

Nondeductible Contributions. You can make nondeductible contributions to your IRA. You can do this even if you are allowed to deduct your contributions. Your nondeductible contributions will be added to your IRA and the amount you deduct.

Example: You file as single and paid \$2,000 into your IRA. You were covered by a retirement plan and your modified AGI is over \$35,000 (all wages). You can't deduct the \$2,000. But you can treat it as a nondeductible contribution.

If you use Worksheet 1, you can treat all or part of line 3 (or line 8 if it applies) as a nondeductible contribution. Worksheet 1 will tell you how much you can treat as a nondeductible contribution.

Use Form 8606 to report all contributions you treat as nondeductible. Also use Form 8606 to figure the basis (nontaxable part) of your IRA and the taxable part of any IRA distribution. If you and your spouse each make nondeductible contributions, you must complete a separate Form 8606.

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Note: If you file Form 2555, Foreign Earned Income, get Pub. 590 to figure your IRA deduction. Before you do the worksheet that applies to you, please note:

• If you made contributions to your IRA in 1988 that you deducted in 1987, do not include them in the worksheet.

• If you make contributions to your IRA in 1989 (or 1988, if you include them in this worksheet), use line 25a.

• If the total of your IRA deduction plus any nondeductible contributions is less than your total IRA contributions for 1988, see Pub. 590 for special rules.

• If you were married, you must file a joint return to deduct contributions to your nonworking spouse's IRA for 1988. A nonworking spouse is one who had no wages or other earned income in 1988 and was not treated as having no earned income for figuring the deduction.

• Your IRA deduction can't be more than the total of your wages and other earned income.

Completing Lines 4 through 8

• Do not include rollover contributions in figuring your deduction. See the instructions for lines 16a and 16b on page 12 for more details on rollover contributions.

• Do not include trustee's fees that were paid by you or your spouse in figuring your IRA deduction. These fees can be deducted only as an itemized deduction on Schedule A.

• Alimony payments received under certain divorce or separation instruments are considered earned income for purposes of the IRA deduction. See Pub. 590.

• You will first need to complete Form 1040 through line 24, and lines 26 through 29, if they apply to you, to figure your IRA deduction and, if applicable, nondeductible contributions.

• You should receive a statement by May 31, 1989, showing all contributions made to your IRA for 1988.

If you (or your spouse if filing a joint return) were covered by a retirement plan and—

Your filing status is:

You can take:

Full IRA deduction (use Worksheet 1)

Partial IRA deduction (use Worksheet 2)

No IRA deduction (see Nondeductible Contributions) (use Worksheet 1)

Married Filing Jointly or Qualifying Widow(er)

Over \$40,000 but less than \$50,000

Partial IRA deduction (use Worksheet 2)

Married Filing Separately

Over \$0 but less than \$10,000 or more

No IRA deduction (see Nondeductible Contributions)

Modified AGI (adjusted gross income) is the amount on Form 1040, line 23, minus the total of any deductions claimed on Form 1040, lines 24 and 26 through 29, and any write-in amount included on line 30.

Note: If you were married and both spouses worked and both had IRAs, figure each spouse's deduction separately.

IRA Worksheet 1 (Keep for your records)

1. Enter IRA contributions you made for 1988, but do not enter more than \$2,000

2. Enter your wages and other income (do not include your spouse's income and do not reduce your income and do not add your self-employment income)

3. Compare the amounts on lines 1 and 2 and enter the smaller of the two amounts on line 3

Enter on Form 1040, line 25a

4. Compare the amount on line 2 to \$2,500. Enter the smaller of the two amounts

5. Enter the amount from line 3

6. Subtract line 5 from line 4

7. Enter IRA contributions made for 1988 for your nonworking spouse, but do not enter more than \$2,000

8. Compare the amounts on lines 2, 6, and 7 and enter the smaller of the three amounts on line 8. Enter on Form 1040, line 25b. The amount on line 8 you choose to deduct

Caution: If you are married filing a separate return and your spouse itemizes deductions, or if you are a dual-status alien (you checked the box on line 33c), you cannot take the standard deduction even if you were 65 or older or blind.

Standard Deduction Chart for Most People	
DO NOT use this chart if you were 65 or older or blind OR if someone can claim you as a dependent	
If your Filing Status from page 1 is:	Your standard deduction is:
Single	\$3,000
Married filing joint return or Qualifying widow(er) with dependent child	\$5,000
Married filing separate return	\$2,500
Head of household	\$4,400

Standard Deduction Chart for People Age 65 or Older or Blind	
If someone can claim you as a dependent, use the worksheet below, instead	
Enter the number from the box on line 33a of Form 1040	Caution: Do not use the number of exemptions from line 06
If your Filing Status from page 1 is:	and the number in the box above is:
Single	1 2
Married filing joint return or Qualifying widow(er) with dependent child	1 2 3 4
Married filing separate return	1 2 3 4
Head of household	1 2

Standard Deduction Worksheet for Dependents

Use this worksheet ONLY if someone can claim you as a dependent (keep for your records)

- Enter your earned income (defined below)
 - Minimum amount
 - \$500
- Compare the amounts on lines 1 and 2. Enter the larger of the two amounts
 - Single, enter \$3,000
 - Married filing separate return, enter \$2,500
 - Married filing jointly or Qualifying widow(er) with dependent child, enter \$5,000
 - Head of household, enter \$4,400
- Standard deduction
 - Compare the amounts on lines 3 and 4. Enter the smaller of the two amounts. If under 65 and not blind, stop here, enter this amount on Form 1040, line 34. Otherwise, go on to line 5b.
 - If 65 or older or blind, multiply the number entered on Form 1040, line 33a, by \$750 (\$600 if married or a qualifying widow(er) with dependent child). Enter the result.
 - Add lines 5a and 5b. Enter the total here and on Form 1040, line 34.

Earned income includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income. Generally, your earned income is the total of the amount(s) you reported on Form 1040, lines 7, 12, and 15.

However, if neither of the child's parents was alive on December 31, 1988, do not use Form 8615 to figure the child's tax.

Tax Table. If neither of the above conditions applies to you, you MUST use the Tax Table to find your tax. See the instructions for Form 1040, line 34. After you have found the correct tax, enter that amount on line 38.

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Credits

Line 41 Credit for Child and Dependent Care Expenses

You may be able to take a credit on line 41 for payments you made for child and dependent care services that enabled you or your spouse (if you were married) to work or look for work.

The credit is allowed if you kept up a home that included a child under age 13 or your dependent or spouse who could not care for himself or herself. See Form 2441 for more information. If you are claiming a credit, please see Form 2441 for rules for divorced or separated parents.

Note: If someone cared for your child or disabled dependent in your home, both you and the employee may have to pay a share of the social security tax on the employee's wages. You may also have to pay Federal unemployment tax, which is for your employee's unemployment insurance. For more information, see Form 946, *Employer's Taxes for Household Employers*.

Line 42 Credit for the Elderly or the Disabled

You may be able to take this credit and reduce your tax if, by the end of 1988, you were

- age 65 or older, or
- under age 65, you retired on permanent and total disability, and you had taxable disability income in 1988.

For more information, see the separate instructions for Schedule R. Enter the credit on line 42.

If you want IRS to figure the credit for you, see **IRS Will Figure Your Tax and Some of Your Credits** on page 16.

Line 43 Foreign Tax Credit

Form 1116 explains when you can take this credit for payment of income tax to a foreign country. Also get Pub. 514, *Foreign Tax Credit for Individuals*. Enter the credit from Form 1116 on line 43.

Line 44 General Business Credit

Complete line 44 if you can take any of the following credits: Energy-Related Credits, Research and Development Credit, and other appropriate credit form (as described below) to figure the credit. If you have only one credit, enter on line 44 the amount of the credit from the form. Also, check the second box on line 44 and write in the form number for that credit.

If you have two or more of these credits or a credit carryforward, you must also complete Form 3800 to figure the total credit. Enter the total credit on line 44 of Form 3800. Also be sure to check the box on line 44 of Form 3800.

Form 3468, Computation of Investment Credit. This credit was generally repealed for property placed in service after 1985. For exceptions, see Form 3468.

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Form 5884, Jobs Credit. If you are a business employer who hires people who are members of special targeted groups, you may qualify for this credit. Use Form 5884 to figure the credit. Get Pub. 572, *General Business Credit*, for more details.

Form 6478, Credit for Alcohol Used as Fuel. If you sell straight alcohol (or an equivalent amount of denatured alcohol) in your trade or business, you may be able to take a credit for the alcohol used as fuel. Use Form 6478 to figure the credit.

Form 6765, Credit for Increasing Research Activities. You may be able to take a credit for research and experimental expenditures paid or incurred in carrying on your trade or business. Use Form 6765 to figure the credit.

Form 8586, Low-Income Housing Credit and Form 8809, Certification of Qualified Building. If you own or are part owner of a building that was part of a low-income housing project, you may be able to take this credit. Use Form 8586 and Form 8809 to figure the credit.

Line 45 Credit for Prior Year Minimum Tax

You may be able to reduce your 1988 tax by this credit if you paid alternative minimum tax in 1987. Get Form 8801, *Credit for Prior Year Minimum Tax*, to see if you qualify for the credit.

Line 46 Additions to the Total on Line 45

Enter amounts on lines 41 through 45 and add the total on line 46.

Also include in the total on line 46 any of the following credits:

- Mortgage interest credit. You may be able to take a credit for part of the interest you paid on your home mortgage if you were issued a mortgage credit certificate by a state or local government under a qualified mortgage credit certificate program to buy, rehabilitate, or make improvements to your home.
- Form 8396, *Mortgage Interest Credit*, to figure the amount of the credit to include in your total for line 46. On the dotted line next to this total, write "MIC" (mortgage interest credit) and show the amount.
- Credit for Fuel From a Nonconventional Source.** A credit is allowed for the sale of qualified fuels produced from a nonconventional source under the Energy Code provisions for the production of qualified fuels. Attach a separate schedule showing how you figured the credit. Include the credit in the total for line 46. On the dotted line next to this total, write "FNS".

Other Taxes
**Line 48
Self-Employment Tax**
If you had self-employment income in 1988, and earned under \$45,000 in wages from which social security tax or RRTA tax

was withheld, you may have to pay self-employment tax. Please see **Schedule SE** (Form 1040) and instructions. If you have to pay self-employment tax, enter the amount from Schedule SE.

Line 49 Alternative Minimum Tax

You may be liable for the alternative minimum tax if your AGI plus any of the items listed below and included on your return exceeds more than \$100,000 (or \$40,000 if married filing jointly or a qualifying widow(er) with dependent child, or \$30,000 if single or head of household, or

- \$20,000 if married filing separately
 - 1. Accelerated depreciation
 - 2. Amortization of certified pollution-control facilities
 - 3. Charitable contribution of appreciated capital gain property
 - 4. Incentive stock options
 - 5. Tax exempt interest from private activity bonds or exempt-interest dividends from a regulated investment company
 - 6. Intangible drilling costs
 - 7. Depletion
 - 8. Reserves for losses on bad debts of financial institutions
 - 9. Circulation and research and experimental expenditures
 - 10. Mining exploration and development costs
 - 11. Installation sales of property
 - 12. Tax shelter farm loss
 - 13. Passive activity loss
 - 14. Income from long-term contracts
- Get Form 6251 and its instructions to see if you owe this tax.

Line 50 Recapture Taxes

You may owe the tax computed on Form 4255, *Recapture of Investment Credit*, if you disposed of investment credit property or changed its use before the end of its useful life or recovery period. See Form 4255 for details. Also see the instructions for Form 4255 and enter any tax due on line 50.

If you disposed of property for there was a reduction in the qualified basis of the property on which you took the low-income housing credit, you may owe the tax computed on Form 8611, *Recapture of Low-Income Housing Credit*. See Form 8611 for more information. If you owe this tax, check the box on Form 8611 and enter any tax due on line 50.

Definition of Child. In general, for purposes of this credit, your child includes:

- Your son or daughter
- Your stepchild or adopted child

If your filing status is **married filing a joint return** or **qualifying widower** with a dependent child, your child also includes a child placed with you by an authorized placement agency for adoption by you. Your child also includes a foster child (any other person who lives with you, is under your care, for as your own child, for the whole year).

If your filing status is **head of household**, your child also includes a descendant of your son, daughter, or adopted child.

If your child was born, or died, in 1988 and your home was your child's home during the part of 1988 that he or she was alive, your child is considered to have lived with you for more than 6 months or, if applicable, for all of 1988.

Note: The earned income credit must be reduced by the alternative minimum tax (AMT) for 1988. To figure the AMT, see Form 1040, line 49. Subtract it from the amount on line 5 or line 6c of the worksheet above, whichever applies, and enter the result (but not less than zero) on Form 1040, line 56.

Line 57

Amount Paid With Form 4868 (Extension of Time To File)

If you filed Form 4868 to get an extension of time to file Form 1040, enter the amount you paid with that form. Do not include any amounts paid with Form 2868 or 2350.

Line 58

Excess Social Security Tax and RRTA Tax Withheld—Two or More Employers

If you had two or more employers in 1988 who together paid you more than \$45,000 in wages, too much social security tax and railroad retirement (RRTA) tax may have been withheld from your wages. If so, you may be able to take a credit against your income tax.

If you are filing a joint return, you must figure your excess RRTA or social security tax on your spouse's Form 1040 or social security page 21, to see if you can take the credit.

If you worked for two or more railroad employers, or if you had both RRTA tax and social security tax withheld from your wages, get Pub. 505, "Tax Withholding and Estimated Tax," for information on how to figure your excess RRTA or social security tax. Do not use the worksheet on page 21.

Caution: If you were a Federal, State, or local government employee, you may be able to take the 1.45% medicare (hospital insurance) benefits tax on your government wages. **Do not include** on line 1 of the worksheet the medicare tax withheld from your government wages. See the instructions for line 6D to see if you can take a credit for excess medicare tax paid.

Earned Income Credit Worksheet (Keep for your records)

To figure your credit, follow the instructions below. If you checked Filing Status box 1 or 3, you cannot take the credit. Do not complete this worksheet.

1. Enter the amount from Form 1040, line 7, plus any other compensation from your employer, regardless of whether it is taxable. But do not include any amount for a dependent child. If you did not receive a W-2 form for it, see the instructions for line 7. **Note:** If you are filing a joint return, enter the amount on line 1 above, do not include the credit.

2. If you were self-employed, enter the amount, even if a loss, from Schedule SE, Section A, line 3, or Section B, line 3c. However, if you use more information before entering an amount on line 2, see the instructions here.

3. **Earned income.** Add lines 1 and 2. However, if line 2 is a loss, subtract the line 2 amount from line 1. If line 3 is zero or less, stop here. You cannot take the credit. If line 3 is more than zero, go on to line 4.

4. **Adjusted gross income.** Enter the amount from Form 1040, line 32. If the amount on line 4 is \$18,576 or more, stop here; you cannot take the credit. Otherwise, go on to line 5 or line 6, whichever applies.

5. If line 4 above is less than \$18,576, use the amount from line 3 above to figure the credit. Enter the amount on line 5. If the amount on line 5 is more than zero, go on to line 6. If the amount on line 5 is zero or less, stop here.

6. If line 4 above is \$18,576 or more:
a. Find the amount from line 3 above in the table that begins on page 52 and enter the credit for that amount here.
b. Find the amount from line 4 above in the table that begins on page 52 and enter the credit for that amount here.
c. Enter the amount from line 6a or 6b, whichever is smaller, here and on Form 1040, line 56.

Married Filing Joint Return. Your child must be claimed as your dependent on Form 1040, line 6c. **Exception:** If your spouse is not your child's parent, the child's other parent (the noncustodial parent) claimed the child as a dependent under the rules on page 9 for **Children of Divorced or Separated Parents**, you can take the credit above. If you can take the credit because of this exception, enter the child's name on the dotted line to the left of line 56.

Qualifying Widower (or) With Dependent Child. Your child must be claimed as your dependent on Form 1040, line 6c.

Head of Household. If your child was unmarried for 1988, you must enter that child's name in the space provided on Form 1040, line 4 (or line 6c if you claimed that child as a dependent).

If your child was married for 1988, this child's name must be entered on Form 1040, line 6c. **Exception:** If this child's other parent claimed him or her as a dependent under the rules explained on page 9 for **Children of Divorced or Separated Parents**, you can take the credit above. If you meet all 5 of the conditions listed under "Who Can Take the Credit," if you are the child's parent, you must enter the child's name on the dotted line to the left of line 56. If you entered the child's name in the space provided on Form 1040, line 4 above, use the worksheet on this page to figure the credit. Otherwise, do not fill in the worksheet. Instead, enter "NO" on Form 1040, line 56, and go on to line 57.

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1040-ES for 1988. Include any overpayment from your 1987 return that you applied to your 1988 estimated tax payment on line 53. On the dotted line next to this, write "Uncollected Tax on Tips;" and show the amount.

If you and your spouse paid joint estimated tax but are now filing separate income tax returns, either of you can claim all of the amount paid. Or you can each claim a part of it. Please be sure to show both social security numbers and the separate estimated tax payments paid on each return. If you are filing a separate estimated tax, but you are now filing a joint income tax return, enter the amounts you each paid.

Follow these instructions even if your spouse died.
Divorced Taxpayers. If you were divorced during 1988 and you made joint estimated tax payments with your former spouse's social security number, the block provided on the security number line of Form 1040, line 53, must be changed to show your social security number. If you were divorced and remarried in 1988, enter your present spouse's social security number in the block provided on the front of Form 1040. Also, under the bold heading, "Payments," to the left of line 55, write your former spouse's social security number, followed by "DIV."

Name Change. If you changed your name because of marriage, divorce, etc., and you made estimated tax payments under your old name, attach a statement to the front of Form 1040 explaining all the payments you and your spouse made in 1988, the Service Center where you made the payments, and the names (and social security numbers) under which you made the payments.

Line 56

Earned Income Credit

The earned income credit helps many taxpayers who have a child and whose earned income (see "Earned income" on page 20) and adjusted gross income are less than \$18,576. If you can take the credit, you can subtract it from the tax you owe or get a refund even if you had no tax withheld from your pay. The credit can be as much as \$974.

Note: If you received advance earned income payments (see "Advance earned income" on page 20), see the instructions for line 53 on this page for information on how to report these payments.

Who Can Take the Credit?

- You may be able to take the credit if you meet ALL 5 of the following conditions:
1. You received wages, salaries, tips, or other income (see "Earned income" on page 20).
 2. The amount on Form 1040, line 32, is less than \$18,576.
 3. You have a child (see "Definition of Child" on page 20) who lived with you in the same main home in the U.S. for more than 6 months during 1988 (for all of 1988 if your filing status is qualifying widower) with dependent child.
 4. You do not file Form 2555, "Foreign Earned Income."
 5. Your filing status is married filing joint return, qualifying widow(er) with dependent child, or head of household. The special rules apply to each of these three filing statuses.

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Line 51 Social Security Tax on Tip Income Not Reported to Employer

If you received tips of \$20 or more in any month and you did not report the full amount to your employer, you must pay the social security or railroad retirement (RRTA) tax on the amount you did not report. If you received an amount to your employer but your employer did not withhold the social security or RRTA tax, you must pay it unless the rules discussed under **Uncollected Tax on Tips** (see Social Security and RRTA Tax on page 53) apply.

To figure the amount of social security tax on tips, complete Form 4137 and attach it to your Form 1040. Enter the tax on this line. To determine the amount of RRTA tax on tips, contact your nearest Railroad Retirement Board office. On line 51, enter the tax and on the dotted line next to it, write "RRTA."

Be sure all your tips are reported as income on Form 1040, line 7. You may be charged a penalty equal to 50% of the social security tax due on tips not reported and did not report to your employer.

Line 52

Tax on IRAs and Retirement Plans

You may owe this tax if (1) you received any early distributions from your IRA, qualified employer plan, qualified annuity plan, or tax sheltered annuity plan; (2) you received any excess distributions (more than you were allowed to receive) from an IRA, (3) you had excess contributions to your IRA, or (4) you had excess contributions in your IRA account or annuity. Get Form 5329 and its instructions to see if you owe this tax. If you do, complete and attach Form 5329 and enter the total tax on line 52.

Line 53

Total Tax
Add lines 47 through 52. Put the total on line 53. Also include on line 53 any of the following that applies:

Section 72 Penalty Tax. If you are or were a 5% owner of a business and you received an excessive distribution from a Keogh plan or trust, you may have to pay a penalty tax on 10% of the distribution. Get Pub. 560 for more details.

Advance Earned Income Credit (AEIC) Payments. If you received advance AEIC payments (AEIC), the amount will be shown on your Form W-2. Include the amount of these payments in your total for line 53. On the dotted line next to this total, write "AEIC."

Note: The amount of earned income credit that you can take is limited. See the instructions for line 56 to see if you can take the credit on the worksheet on page 20 and entered on line 56.

Uncollected Employees Social Security and RRTA Tax on Tips. If you did not have enough wages to cover the social security tax or railroad retirement (RRTA) tax due on tips you reported to your employer, the amount of tax due will be shown on your

Form W-2. Include that amount in the total on line 53. On the dotted line next to this, write "Uncollected Tax on Tips;" and show the amount.

Golden Parachute Payments. Golden parachute payments are certain payments made by a corporation to key employees to compensate them if control of the corporation changes. If you received an excess payment and your employer must pay a penalty tax on 20% of this excess payment. Include the amount of this tax in your total for line 53. On the dotted line next to this total, write "EPP;" and show the amount of the tax.

If you received a Form W-2 that includes a parachute payment, the amount of tax withheld on any excess payment should be entered in Box 16 of Form 1040, line 53. The amount from Box 16 of Form 1040, line 53, must be included in your total for line 53. If you received an excess payment and your employer must pay a penalty tax on 20% of this excess payment, include the amount of this tax in your total for line 53. On the dotted line next to this total, write "EPP;" and show the amount of the tax.

Shareholders in Qualified Electing Funds. If you were a shareholder in a qualified electing fund, follow the instructions for Form 8621. Return by a shareholder of a Qualified Electing Fund. To figure the amount of tax to include in or subtract from the total on line 53:

• On the dotted line to the left of line 53, write "Sec. 1294;" and the amount of tax to be added to or subtracted from the total for line 53. (Show an amount to be subtracted in brackets.) Show any interest due to the estate of a shareholder on Form 1040, line 53, in the interest line 53. See the instructions for Form 8621 for more information.

Installment Sales for Dealers in Personal Property. If you deferred payment of tax in 1987 under sec. 811 (c)(7) of the Tax Reform Act of 1986, you must include the deferrable portion of tax due for 1988 in the total on line 53. Enter the amount on the dotted line to the left of line 53.

Payments

Line 54

Total Federal Income Tax Withheld
Add the amounts shown as Federal income tax withheld on your Forms W-2, W-26, W-2P, and 1099-R. Enter the total on line 54. The amount of Federal income tax withheld should be shown in Box 9 of Form W-2, Box 2 of Form W-26, Box 11 of Form W-2P, and Box 4 of Form 1099-R. Check the box on line 54.

Backup Withholding. If you were subject to backup withholding on dividends, interest, or other income you received during 1988, include the amount withheld in the total on line 54. This should be shown in Box 4 on the 1099 forms. Be sure to check the box on line 54.

Line 55

1988 Estimated Tax Payments
Enter on this line any payments you made on your estimated Federal income tax (Form

Worksheet (Keep for your records)

1. Add all social security tax withheld (but not more than \$3,379.50 for each employee). Enter the total here	
2. Enter any uncollected social security tax on Form 1040, line 53	
3. Add lines 1 and 2	-3,379.50
4. Less	
5. Subtract line 4 from line 3	
6. Enter the amount on line 53	
7. If you are an employer, enter the amount of the refund line excess to you. You cannot take credit for it on your return	

Line 59**Credit for Federal Tax on Fuels**

If you can take a credit for tax on gasoline, diesel fuel, or kerosene for certain diesel-powered cars, vans, and light trucks, please attach Form 4136. Enter the credit on line 59.

Line 60**Regulated Investment Company Credit**

Enter on this line the total amount of the credit from Form 2439. Be sure to attach Copy B of Form 2439. Also include on line 60 any Excess Medicare Tax Credit.

Line 61**Excess Medicare Tax Credit**

Federal, state, or local government employee whose wages in 1988 were subject only to the Medicare tax and you had other social security or RRTA wages that when added to your government wages total more than \$45,000, too much Medicare tax may have been withheld. If so, you may take a credit against your income tax. Use Form 4459. Compute the credit and include the amount of the credit in your total for line 60. On the dotted line next to this total, write "Form 4459" and show the amount.

Line 62**Total Payments**

Add lines 54 through 60 and enter the total on line 61. Also include on line 61 any Overpaid Windfall Profit Tax.

Line 63**Overpaid Windfall Profit Tax**

If you are a partner in a partnership that allowed a credit for overpaid windfall profit tax (OWPT). Use Form 6249 to figure the amount of the credit. Enter the amount on line 63. On the dotted line next to this total, write "OWPT" and show the amount. Attach Forms 6249 and 6248 to Form 1040.

Line 64**Refund or Amount You Owe****Line 65****Amount Overpaid**

Subtract line 53 from line 61. You may choose to have all or part of this amount refunded to you (line 63). The remainder, if any, can be applied to your estimated tax for 1989 (line 64). If line 62 is under \$1, we will send a refund only on written request.

Line 66**Amount Owed****Line 67****Amount Owed****Line 68****Amount Owed****Line 69****Amount Owed****Line 70****Amount Owed****Line 71****Amount Owed****Income Tax Withholding for 1989**

If the amount you overpaid is large, get a copy of Form W-4. Employee's Withholding Allowance Certificate, from your employer.

1. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

2. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

3. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

4. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

5. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

6. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

7. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

8. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

9. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

10. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

11. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

12. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

13. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

14. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

15. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

16. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

17. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

18. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

19. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

20. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

21. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

22. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

23. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

24. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

25. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

26. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

27. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

28. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

29. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

30. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

31. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

32. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

33. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

34. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

35. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

36. If you are an employee, enter the amount of income tax withheld from your wages for 1989. If you are a partner in a partnership, enter the amount of income tax withheld from your distributive share of partnership income for 1989. If you are a sole proprietor, enter the amount of income tax withheld from your net profit for 1989.

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Avoid Common Mistakes

This checklist should help you file your form correctly. Errors may delay your refund.

1. Is your address correct on the preprinted label? If not, did you correct the label?

2. If you took the standard deduction, did you use the correct chart or worksheet on page 17?

3. Did you attach your W-2 forms and any other forms? Did you assemble all forms and schedules in the proper order? (See Step 6 on page 6.)

4. Are you adding and subtracting correctly? Double-check your math carefully when figuring your refund or amount you owe.

5. Did you find the correct tax in the Tax Table for your filing status and taxable income?

6. Did you write your social security number, daytime phone number, and "1988 Form 1040" on your check or money order?

7. Did you sign and date your tax form?

Section 4**General Information**

This section contains general information about items such as amending your tax return and how long to keep tax records.

Penalties and Interest

Interest. We will charge you interest on taxes not paid by their due date, even if an extension of time to file is granted. We will also charge you interest on penalties imposed for failure to file, gross valuation overstatements, and substantial understatement of tax. The interest is charged on the liability from the due date of the return (including extensions).

Late Filing of Return. You can avoid penalties for late filing by sending in your return by the due date. If you file late, the penalty is 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you do, you may avoid the penalty. The penalty cannot be more than 25% of the tax due. If your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller.

Late Payment of Tax. If you pay your taxes late, the penalty is usually 1/2 of 1% of the unpaid amount for each month or part of a month your return is late. The penalty cannot be more than 25% of the tax due. If you have a reasonable explanation, you may avoid the penalty. The penalty cannot be more than 25% of the tax due. If your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller.

Note: If you include interest or either of these penalties with your payment, identify the amount on line 65. Do not include the interest or penalty amounts in Amount You Owe on line 65.

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Substitute Tax Forms

You may not use your own version of a tax form unless it meets the requirements contained in Pub. 1167 for acceptable privately designed and printed substitute tax forms. You can get Pub. 1167 by writing to: Forms Distribution Center, P.O. Box 23586, Richmond, VA 23289.

Amended Return

If you file your income tax return and later become aware of any changes, you must make to income, deductions, or credits, file Form 1040X. Amended U.S. Individual Income Tax Return. To change the Form 1040, 1040A, or 1040EZ you already filed. Note: If your Federal return is changed for any reason, you may lose the carryover of any loss. This could include changes made as a result of an examination of your return by the IRS. Contact your state tax agency for more information.

Death of Taxpayer

If a taxpayer died before filing a return for 1988, the estate or the surviving spouse or representative may have to file and sign a return for the person who died. A personal administrator, or anyone who is in charge of the deceased person's property.

The person who files the return should write "deceased" after the deceased's name and show the date of death in the space provided. Also write "DECEASED" across the top of the tax return.

If the taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund.

If your spouse died in 1988 and you did not remarry in 1988, you can file a joint return. You can also file a joint return if your spouse died in 1989 before filing a 1988 return. A joint return should show your spouse's 1988 income before death and your income after death.

Claiming a Refund for a Deceased Person. No other form is needed to claim a refund for a deceased taxpayer if you are:

- a surviving spouse filing a joint return with the deceased, OR
- a court-appointed representative.

Note: If you are a court-appointed representative you must attach to Form 1040 a copy of the certificate that shows your appointment.

All other filers requesting the refund of a deceased taxpayer must file Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer.

For more details, see **Tax-Exempt Information** in the index (topic no. 158) or **Pub. 3959**, Tax Information for Survivors, Executors, and Administrators.

Page 22

If you do not know whether you may deduct what you gave to an organization, check with that organization or with IRS.

Contributions You MAY Deduct

Contributions may be in cash (keep canceled checks, receipts, or other reliable written records showing the name of the organization and the date and amount given) or in property. If the tax is deductible, show it under **Taxes You Paid** (lines 5 through 8 of this schedule).

Note: Special rules apply to interest expense imputed on below-market loans paid for. See Pub. 545.

Interest You MAY NOT Deduct

Do not include interest on your debts by others, such as mortgage interest, subsidy payments made by a government agency. Also do not include the interest you paid for—

- Certain loans against your interest in a 401(k) plan or a tax-sheltered annuity plan that were made, renewed, repaid, or refinanced after 1986. (See Pub. 575, Pension and Annuity Income, for details.)
- Tax-exempt income. This includes interest on money you borrowed to buy or carry wholly tax-exempt securities. This also includes interest paid to purchase or carry obligations or shares, or to make deposits or other investments, to the extent any investment is tax exempt.
- A loan on life insurance if the interest is added to the loan and your report on the cash basis.

• A debt to buy a single-premium life insurance or endowment contract.

• Any kind of business transaction. (Use Schedule C, E, or F of Form 1040 to deduct business interest expenses.)

Get Pub. 545 for more details.

Lines 14 through 17

Gifts to Charity

You may deduct what you actually gave to organizations that are religious, charitable, educational, scientific, or literary in purpose. You may also deduct what you gave to organizations that work to prevent cruelty to children or animals.

Examples of these organizations are:

- Churches, temples, synagogues, Salvation Army, Red Cross, CARE, Goodwill Industries, United Way, Boy Scouts, Girl Scouts, etc.
- Fraternal orders, if the gifts will be used for the purposes listed above.
- Veterans' and certain cultural groups.
- Nonprofit schools, hospitals, and a college for help people who have arthritis, asthma, birth defects, cancer, cerebral palsy, cystic fibrosis, diabetes, heart disease, hemophilia, mental illness or retardation, multiple sclerosis, muscular dystrophy, tuberculosis, etc.
- Federal, state, and local governments if the gifts are solely for public purposes.

If you contributed to a charitable organization and also received a benefit from it, you may deduct only the amount that is more than the value of the benefit you received.

d. Any conditions attached to the gift.

Line 19

Moving Expenses

Employees and self-employed persons (including partners) can deduct certain moving expenses.

You can take this deduction if you moved in connection with your job or business and your change in job location was at least 35 miles from your old home to your new workplace. If you have no former workplace, your new workplace must be at least 35 miles from your old home. If you meet these requirements, see **Tele-Tax Information** in the index (topic no. 304) or Pub. 521.

Note: Expenses for complete and attach Form 3903. Complete and attach Form 3903 to enter on line 19. If you began work at a new workplace outside the United States or its possessions, get Form 3903F, Foreign Moving Expenses.

Lines 20 through 25

Miscellaneous Deductions

Most miscellaneous deductions cannot be deducted on line 20. They must be reported on your adjusted gross income from the total of lines 20 and 21.

Generally, the 2% limit applies to job expenses you paid for which you were not reimbursed (line 20). The limit also applies to certain expenses you paid to produce or collect taxable income (line 21). See the instructions for lines 20 and 21 for more information.

Line 18

Casualty and Theft Losses

Property that is not trade or business, income-producing, and attached Form 4684, Casualties and Thefts, to figure your loss. Enter on line 18 of Schedule A the amount of loss from Form 4684.

Losses You MAY Deduct

You may be able to deduct all or part of each loss caused by theft, vandalism, fire, storm, and car, boat, and other accidents or similar causes. You may also be able to deduct money you had in a financial institution that failed or was in liquidation, insolvency, or bankruptcy of the institution.

You may deduct nonbusiness casualty or theft losses only to the extent that—

- a. the amount of EACH separate casualty or theft loss is more than \$100, and
- b. the total amount of ALL losses during the year is more than 10% of your adjusted gross income on Form 1040, line 32.

Special rules apply if you had both gains and losses. See the instructions for line 18 of Form 4684 for details.

Losses You MAY NOT Deduct

- Money or property misplaced or lost.
- Business property, such as furniture, and similar items under normal conditions.
- Progressive damage to property (buildings, clothes, trees, etc.) caused by termites, moths, other insects, or disease.
- Use line 21 of Schedule A to deduct the costs of proving that you had a property loss. (Examples of these costs are appraisal fees and photographs used to establish the amount of loss.) See Pub. 547.

Nonbusiness Disasters, Casualties, and Thefts. This also gives information about Federal disaster area losses.

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Line 19

Moving Expenses

Employees and self-employed persons (including partners) can deduct certain moving expenses.

You can take this deduction if you moved in connection with your job or business and your change in job location was at least 35 miles from your old home to your new workplace. If you have no former workplace, your new workplace must be at least 35 miles from your old home. If you meet these requirements, see **Tele-Tax Information** in the index (topic no. 304) or Pub. 521.

Note: Expenses for complete and attach Form 3903. Complete and attach Form 3903 to enter on line 19. If you began work at a new workplace outside the United States or its possessions, get Form 3903F, Foreign Moving Expenses.

Lines 20 through 25

Miscellaneous Deductions

Most miscellaneous deductions cannot be deducted on line 20. They must be reported on your adjusted gross income from the total of lines 20 and 21.

Generally, the 2% limit applies to job expenses you paid for which you were not reimbursed (line 20). The limit also applies to certain expenses you paid to produce or collect taxable income (line 21). See the instructions for lines 20 and 21 for more information.

Line 18

Casualty and Theft Losses

Property that is not trade or business, income-producing, and attached Form 4684, Casualties and Thefts, to figure your loss. Enter on line 18 of Schedule A the amount of loss from Form 4684.

Losses You MAY Deduct

You may be able to deduct all or part of each loss caused by theft, vandalism, fire, storm, and car, boat, and other accidents or similar causes. You may also be able to deduct money you had in a financial institution that failed or was in liquidation, insolvency, or bankruptcy of the institution.

You may deduct nonbusiness casualty or theft losses only to the extent that—

- a. the amount of EACH separate casualty or theft loss is more than \$100, and
- b. the total amount of ALL losses during the year is more than 10% of your adjusted gross income on Form 1040, line 32.

Special rules apply if you had both gains and losses. See the instructions for line 18 of Form 4684 for details.

Losses You MAY NOT Deduct

- Money or property misplaced or lost.
- Business property, such as furniture, and similar items under normal conditions.
- Progressive damage to property (buildings, clothes, trees, etc.) caused by termites, moths, other insects, or disease.
- Use line 21 of Schedule A to deduct the costs of proving that you had a property loss. (Examples of these costs are appraisal fees and photographs used to establish the amount of loss.) See Pub. 547.

Nonbusiness Disasters, Casualties, and Thefts. This also gives information about Federal disaster area losses.

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Expenses You MAY NOT Deduct

Some expenses are not deductible at all. Examples are—

- Political contributions
- Personal legal expenses
- Lost or misplaced cash or property (but see casualty and theft losses)
- Expenses for meals during regular or extra work hours
- The cost of entertaining friends
- Expenses of going to or from work
- Education that you need to meet minimum requirements for your job or that will qualify you for a new occupation
- Expenses of—
 - a. Travel as a form of education.
 - b. Attending a seminar, convention, or similar meeting unless it is related to your employment
 - c. Adopting a child, including a child with special needs
- Fines and penalties
- Expenses of producing tax-exempt income

Instructions for Schedule B

Dividend Income

Purpose

Use Schedule B if you are filing Form 1040 and you—

- Had more than \$400 in taxable interest;
- Had more than \$400 in dividends;
- Had a foreign account, or
- Were a grantor of, or transferor to, a foreign trust.

Part III of the schedule asks you to answer questions about foreign accounts and trusts.

Part I

Interest Income

To see what interest income you must report, read the instructions for Form 1040, line 8a, on page 10.

If you are a partner in a partnership, you must report your share of the partnership's 1099-INT. Only the expenses listed below can be deducted on line 25.

Line 1

Report on line 1 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 2

Report on line 2 ALL taxable interest (other than seller-financed mortgage interest) that you received or that was paid to you from the sale of your home or other property. Show the payer's name and the amount.

Line 3

Report on line 3 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 4

Report on line 4 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 5

Report on line 5 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 6

Report on line 6 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 7

Report on line 7 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 8

Report on line 8 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 9

Report on line 9 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 10

Report on line 10 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 11

Report on line 11 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 12

Report on line 12 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 13

Report on line 13 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 14

Report on line 14 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

Line 15

Report on line 15 the interest portion of any payments you received from an individual or a partnership, estate, or trust, based on the sale of your home or other property. Show the payer's name and the amount.

• Amounts received on the retirement of a debt instrument generally are treated as received in exchange for the debt instrument.

• Losses from the disposition of wetlands and highly erodible croplands converted to agricultural use (other than livestock grazing) after March 1, 1986, are reported on Schedule D. But gains are reported on Schedule D. But gains are reported on Schedule D.

• For sales on nontransferable exchanges, gifts of property, and inherited property, get Pub. 544.

• For treatment by shareholders of corporate liquidations, get Pub. 542. Tax information on corporations.

• For information on mutual fund transactions, get Pub. 564. Mutual Fund Distributions.

Exchange of Like-Kind Property
Report the exchange of "like-kind" property even though no gain or loss is recognized when you exchange business or investment property for property of "like-kind." For exceptions, get Pub. 544.

Identify in column (a) the property you disposed of. Enter the date you acquired it in column (b), and the date you received the property in column (c). Enter the exchange columns (d) and (e). Enter zero in columns (f) and (g).

Sale or Exchange (Other Than Involuntary Conversion) of Capital Assets Held for Personal Use
This type of gain is a capital gain. Report it on Schedule D, Part I or Part II. Loss from the sale or exchange of this property is not deductible.

For example, you have a loss on the sale of a vacation home which is not your main home. Report it on line 2c or 9c, depending on how long you owned the home. Complete columns (a) through (e). Since the loss is not deductible, enter an "X" in column (f), and 0 in column (g).

Disposition of Partnership Interest
A sale or other disposition of an interest in a partnership may result in ordinary income or capital gain or loss. For information on Partnerships, get Pub. 541.

Long-Term Capital Gains From Regulated Investment Companies
Include in income as a long-term capital gain the amount of long-term capital gains reported by the company on its Form 990. Notice to Shareholders of Undistributed Long-Term Capital Gains, that represents your share of the undistributed capital gains of a regulated investment company. Enter the tax paid by the company as shown on Form 2439 on line 60 of Form 1040. Add to the basis of your stock, the excess of the amount included in income over the credit.

Sale of Your Home
Use Form 2119, Sale of Your Home, to report a gain or loss from the sale of your home. Enter the name of the buyer, the address, and the date of sale. You must get another Form 2119 if you sold more than one home. For information on Selling Your Home, get Pub. 523. Tax Information on Selling Your Home.

Installment Sales
If you sold property at a gain (other than publicly traded stocks or securities), and

an individual and a tax-exempt organization controlled by the individual or the individual's family.

• A partnership and a corporation if the same taxpayers own directly or indirectly more than 50 percent of the capital interest, or profits interest, in the partnership and corporation.

Get Pub. 544 for more information on sales and exchanges between related parties.

• You dispose of (1) an asset used in an activity in which you have a substantial interest, or (2) any part of your interest in an activity in which the at-risk rules apply, and you have amounts in the activity for which you are not at risk. Get the instructions for Form 6199, Computation of Deductible Loss From an Activity Described in Section 465(c). When you are not at risk, and the at-risk rules apply, it is then subject to the at-risk rules.

• Limitations, and its instructions to see how to report capital gains and losses from a passive activity.

Items for Special Treatment and Special Cases
The following items may require special treatment.

• Transactions by a securities dealer.

• Wash sales of stock or securities. Get Pub. 550 for details.

• Bonds and other evidence of indebtedness. Get Pub. 550 for details.

• Certain real estate subdivided for sale which may be considered a capital asset.

A capital asset is any property held by a taxpayer except the following:

• Stock in trade or other property included in inventory or held for sale to customers.

• Accounts or notes receivable (other than for services in the ordinary course of your trade or business, or from the sale of any property described in a, or for services you performed as an employee).

• Depreciable property used in your trade or business even if it was fully depreciated.

• Real property (real estate) used in your trade or business.

• A copyright, literary, musical, or artistic work, or a patent, or a trademark, or a similar property, (1) created by you, or (2) prepared or produced for you, or (3) that you received, in similar property, or (3) that you received, from a taxpayer mentioned in (1) or (2), in a way such as by gift that entitled you to the basis of the previous owner.

1. U.S. Government publications, including the following:

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Instructions for Schedule D

Capital Gains and Losses

Purpose

Use Schedule D to:

• Report a sale of a capital asset.

• Report gains from involuntary conversions of capital assets not held for business or profit.

• Reconcile Forms 1099-B you got for bartering transactions. (See Part VI.)

• Make the long-term capital gain election for lump-sum distributions.

Use Form 4797, Sales of Business Property, instead of Schedule D to report the following:

• The sale or exchange of trade or business property, including:

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Distribution," and show the amounts you received as a nominee. Subtract these amounts from the subtotal and enter the result on line 5.

Note: If you received dividends as a nominee, you must give the actual owner's Form 1099-DIV, unless the owner's spouse is the actual owner.

Part III
Foreign Accounts and Foreign Trusts
Fill in this part if you had more than \$400 of interest or dividend income, if you had a foreign financial account, or if you had the grantor of a trust report to, a foreign trust.

Line 10
Check the Yes box if either 1 or 2 below applies to you.

1. At any time during the year you had an interest in or signature or other authority over a financial account in a foreign country.

2. At any time during the year you had an account, or other financial account, in a foreign country.

Exemption. Check No if any of the following apply to you:

• The combined value of the accounts was \$10,000 or less during the whole year.

• The accounts were with a U.S. military banking facility operated by a U.S. financial institution.

• You are an officer or employee of a commercial bank that is supervised by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation, the accounts in your employer's name, AND you do not have a personal financial interest in the account.

• You are an officer or employee of a domestic corporation with securities listed on national securities exchanges or with assets of more than \$1 million and 500 or more shareholders of record, the account is in the name of the corporation, and the corporation's chief financial officer has given you written notice that the corporation has filed a current report that includes the account.

2. You own more than 50% of the stock in any corporation that owns one or more foreign bank accounts.

Get Form TD F 90-22.1 to see if you are considered to have an interest in a financial account in a foreign country (such as a bank account, securities account, or other financial account).

If you checked Yes to question 10, line 10, of Form TD F 90-22.1 by June 30, 1989, with the Department of the Treasury at the address shown on that form, Do not attach Form TD F 90-22.1 to Form 1040.

You can get Form TD F 90-22.1 by writing for it to the State, as shown on the inside back cover.

If you checked Yes to question 10, write the name of the foreign country or countries in the space provided. Attach a separate sheet if you need more space.

Capital Asset
Most property you own and use for personal purposes, pleasure, or investment is a capital asset. For example, your house, car, boat, art collection, and bonds are capital assets.

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Nominees. Include on line 2 interest you received as a nominee, that actually belongs to another person (such as your child). Several lines above line 3, put a subtotal of all interest income listed on line 2. Below this subtotal, write "Nominee Distribution" and show the interest. Subtract the interest from the subtotal and enter the result on line 3.

Note: If you received interest as a nominee, you must give the actual owner's Form 1099-INT, unless the owner is your spouse.

Accrued Interest. When you buy bonds between interest payment dates and pay accrued interest to the seller, this interest is taxable to the seller. If you received a Form 1099 for interest as a purchaser of a bond with accrued interest, follow the rules above under **Nominees** in Schedule B. But first identify the interest to be subtracted as "Accrued Interest."

Tax-Exempt Interest. If you received a Form 1099-INT for tax-exempt interest, such as from municipal bonds, report the interest on line 2. Several lines above line 3, put a subtotal of all interest listed on line 2. Below this subtotal, write "Tax-Exempt Interest" and show the interest. Subtract this amount from the subtotal and enter the result on line 3. Be sure to also include this tax-exempt interest on Form 1040, line 8b.

Original Issue Discount (OID). If you are reporting OID in an amount less than the amount shown on Form 1099-DIV, follow the rules above for **Nominees or Accrued Interest**, whenever applicable, to see how to report this amount on Schedule B. But first identify the interest to be subtracted as "OID Adjustment."

Part II
Dividend Income
To see what dividend income you must report, read the instructions for Form 1040, line 9, on page 11.

1099-DIV showing dividends you must report. If you own more than 1% of all payers are over \$400, fill in Parts II and III.

Line 4
Report on line 4 ALL of your dividend income. Include capital gain and non-taxable distributions. They will be subtracted from your taxable cash and the value of stock you receive as a dividend. If you owned shares in a mutual fund, see Pub. 564, Mutual Fund Distributions.

List the payer's name and show the amount of income. If securities are held by a brokerage firm (in "street name"), list the name of the brokerage firm shown on Form 1099-DIV.

Nominees. Include on line 4 all dividends received, as a nominee, that actually belong to another person (such as your child), even if you later distributed some or all of this income to others. Several lines above line 5, put a subtotal of all dividends listed on line 4. Below this subtotal, write "Nominee

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If you are a residual holder in more than one REMIC, attach a continuation of Part IV. Enter the totals of columns (d) and (e) on line 38 of Schedule E. If you also completed Part I on more than one Schedule E, use the same Schedule E that you used to enter the combined totals in Part I.

If you are treating REMIC items on your tax return differently from the way the REMIC reported them on its return, you may have to file Form 808.

Column (c). Report the total of the amounts shown on Schedules Q, line 2c, in Part IV, column (e). If you or your spouse had more than one business, you must complete a separate Schedule C for each business. Farmers should use Schedule F.

Filers of Forms 1041 and 1041S. Do not complete the block labeled "Social security number." Instead, enter your employer identification number on line D.

Other Schedules and Forms

Schedule A To deduct interest, taxes, and casualty losses not related to your business

Schedule SE To pay social security self-employment tax on net income from sole proprietorship or business unless you are specifically exempted

Form 8594 To report certain purchases or sales of groups of assets that constitute a trade or business

Form 4797 To report sales, exchanges, and involuntary conversions (other than casualty or theft) of trade or business property

Form 4684 To report a casualty or theft involving property

Form 3115 To change your method of accounting as a result of the capitalization rules, you must file Form 3115 and a Section 263A checklist with your return. If you did not file these items with your 1987 return, file them with your 1988 return. For exceptions and more details, see Pub. 1426, Automatic Change in Method To Comply With Section 263A.

Information Returns. You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interest, rents, royalties, real estate transactions, annuities, and pensions. You may also have to file information returns if you sold to a person on a buy-sell deposit commission, or other basis for resale. For more information, get Pub. 916.

Form 916 If you received cash of more than \$10,000 in one or more related transactions in the course of your trade or business, you may have to file Form 916.

Additional Information

Get Pub. 334, Tax Guide for Small Business. for more details on business income and expenses

Describe the business or professional activity that provided your principal source

of income reported on Part I, line 1a. Give

the general industry and the type of

product or service. If your general trade or

activity is wholesale or retail trade, or

services (mining, construction, or

manufacturing), also give the type of

customer or client. For example,

"wholesale sales of hardware to retailers" or

Instructions for Schedule C

Profit or Loss From Business

Purpose

If you operated a business or practiced a profession as a sole proprietorship, or more than one business, or if you and your spouse had a separate business, you must complete a separate Schedule C for each business. Farmers should use Schedule F.

Filers of Forms 1041 and 1041S. Do not complete the block labeled "Social security number." Instead, enter your employer identification number on line D.

Other Schedules and Forms

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"wholesale sales of hardware to retailers" or

"importation of foreign-made clothing"

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Line H

Business Use of Your Home

Within certain limits, you may deduct business expenses that apply to a part of your home that you use exclusively for a regular basis.

1. as your principal place of business, or

2. as a place of business used by your patients, clients, or customers to meet or conduct a trade or business, you

participated in the activity for more than 100 hours during the tax year, and you do not materially participate in the activity under tests 1, 2, 3, 5, 6, or 7

3. You materially participated in the activity under tests 1, 2, 3, 5, 6, or 7

4. The activity is a personal service activity in which you materially participated for any three (whether or not consecutive) prior tax years. A personal service activity is an activity that involves performing personal services in the fields of health, law, engineering, architecture, accounting, consulting, or any other trade or business in which capital is not a material income-producing factor.

5. Based on all the facts and circumstances, you participated in the activity on a regular, continuous, and substantial basis during the tax year, and you do not materially participate in the activity under tests 1, 2, 3, 5, 6, or 7

6. You participated in the activity for 100 hours or less during the tax year, or

7. Any person besides yourself received compensation for performing management services in connection with the activity, or

8. Any individual besides yourself spent more hours during the tax year than you spent performing management services in connection with the activity (regardless of the number of persons compensated for the management services).

If you meet any of the above tests, check the "Yes" box.

Exception for oil and gas: The passive loss rules do not apply to oil and gas wells in which you have a working interest and in case, check "Yes" to Question 1, even if you did not materially participate.

Also report on line 4 amounts from finance reserve income, scrap sales, bad debts you recovered, interest (such as on Federal tax on gasoline or other fuels) claimed on your 1987 Form 1040, and other kinds of miscellaneous business income.

If you have listed property that you placed in service after June 18, 1984, and the business use percentage decreased to 50% or less in 1988, report on this line any recapture of excess depreciation, including Form 4797 to figure the recapture.

Part II

Deductions (Lines 6 through 29)

Capitalizing Costs of Property

If you produced real or tangible personal property or services attributable to the property must be included in inventory costs or capitalized. In addition to direct costs, producers of inventory property must also include part of certain indirect costs in

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their inventory. Purchasers of personal property, such as artwork, must include the part of certain indirect costs in inventory only if the average annual gross receipts for the 3 prior tax years exceed \$10 million. Also, part of the indirect costs that benefit real or tangible personal property constructed for use in a trade or business, or inventory property produced for sale, must be included in the inventory. See Pub. 538.

Exception for Creative Property. If you are an artist, author, photographer, or have a similar occupation in which you produce creative property, you may be able to elect to deduct the cost of the property over a 3-year period. You may make this election only if your personal efforts are primarily responsible for the creation of the property. For more details, including a list of qualifying property, see Pub. 538.

Caution: Pending legislation would exempt most creative property from the 3-year recapture rule. See Pub. 553 to find out whether this legislation was passed.

Line 7 **Caution:** Cash method taxpayers cannot take a bad debt deduction unless the debt is a bona fide debt. See Pub. 553 to find out.

Include debts and partial debts arising from sales or services that were known to be worthless. If you collect a debt that you deducted as a bad debt, include it as income in the year collected.

Note: If you use the reserve method prior to 1987 to figure your bad debts, only at the end of 1988 must be included in your income ratably over a 4-year period. For details, get Pub. 546, Deduction for Bad Debts.

Line 9 You can deduct the actual cost of running your car or truck, or take the standard mileage rate. You must use actual costs if you use more than one vehicle in your business. If you deduct actual costs, show depreciation on line 12.

Note: If you claim any car expenses (actual costs or the standard mileage rate), you must also claim depreciation on line 12. See Pub. 553 to find out.

The standard mileage rate is 24 cents a mile up to 15,000 miles for 1988, and 11 cents for each mile after that. Add to this amount your parking fees and tolls.

For cars and trucks that have been fully depreciated, the rate is 11 cents a mile. If you use the standard rate, the vehicle is considered to have a useful life of 60,000 miles. See Pub. 553 to find out.

Line 11 Enter your deduction for depletion on this line. If you have timber depletion, attach Form 1. Get Pub. 535 for details.

Line 12 If you have a mortgage on real property, you can deduct the interest you pay on the mortgage. Enter on line 12a the interest you paid for 1988 to banks or other financial institutions. If you paid \$600 or more of interest on this mortgage, you should receive a Form 1098, Mortgage Interest Statement, or similar statement. It shows the interest received from you during 1988. If you did not receive a statement by January 31, 1989, if you and at least one other person (other than your spouse) if you file a joint return) were liable for and paid the interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name of the lender, the amount of interest paid, and the Form 1098. In the left margin, next to line 12a, write "See attached."

If you paid more mortgage interest to financial institutions than is shown on Form 1098, or similar statement, get Pub. 545 to see if you can deduct the additional interest. If you can, attach a statement to your return explaining the difference and the amount of the additional interest. See Pub. 545 to find out.

Do not deduct interest you paid or accrued on debts allocable to investment property. This interest is generally deducted on Schedule A. For details, get Pub. 550, Investment Income and Expenses.

Line 21 Enter your deduction for contributions to a pension, profit sharing, or annuity plan, or plans for the benefit of your employees. If the plan includes you as a self-employed person, enter contributions made as an employer on your behalf on Form 1040, line 27, not on Schedule C.

Generally, you must file one of the following forms if you maintain a pension, profit sharing, or annuity plan: Form 990, Return of Private Nonprofit Organizations; Form 991, Return of Religious Organizations; Form 992, Return of Labor Organizations; Form 993, Return of Charitable Organizations; Form 994, Return of Educational Organizations; Form 995, Return of Health, Welfare, Pension, or Profit-Sharing Plans of Churches, Religious Organizations, or Educational Organizations; Form 996, Return of Labor Organizations; Form 997, Return of Charitable Organizations; Form 998, Return of Educational Organizations; Form 999, Return of Health, Welfare, Pension, or Profit-Sharing Plans of Churches, Religious Organizations, or Educational Organizations; Form 990, Return of Private Nonprofit Organizations; Form 991, Return of Religious Organizations; Form 992, Return of Labor Organizations; Form 993, Return of Charitable Organizations; Form 994, Return of Educational Organizations; Form 995, Return of Health, Welfare, Pension, or Profit-Sharing Plans of Churches, Religious Organizations, or Educational Organizations; Form 996, Return of Labor Organizations; Form 997, Return of Charitable Organizations; Form 998, Return of Educational Organizations; Form 999, Return of Health, Welfare, Pension, or Profit-Sharing Plans of Churches, Religious Organizations, or Educational Organizations.

Note: You may be able to deduct part of the amount paid for health insurance for yourself, your spouse, or dependent child. See Pub. 550, Section 1040, line 26.

Lines 17a and 17b Interest allocation rules. The tax treatment of interest expense differs depending on whether the interest is personal interest, home mortgage interest, and investment interest are all treated differently. "Interest allocation" rules require you to allocate (classify) your interest expense so it is deducted on the right place of your return (capitalized) and gets the proper tax treatment. These rules apply to all interest expense you deduct on Schedule C.

Generally, you allocate interest expense by tracing how the proceeds of the loan are used. See Pub. 535 and Pub. 545 for details.

If you paid interest on a debt secured by your main home, and any of the proceeds from that debt were used in connection with your trade or business, see Pub. 545 to figure the amount that is deductible on Schedule C.

Line 25 You can deduct the following taxes: Real estate and personal property taxes on business assets. Social security taxes paid to match wages. Required unemployment tax paid.

Line 29 Include all ordinary and necessary business expenses not deducted elsewhere on Schedule C. Enter the total on line 29. Do not deduct the following:

- If you hold an operating oil, gas, or mineral interest, and you are a cash method taxpayer, deduct on line 25 the windfall profit tax actually withheld in 1988. Form 6248 shows this amount.
- Federal highway use tax.
- Federal income taxes.
- Estate and gift taxes.
- Taxes assessed to pay for improvements, such as paving and sewers.
- Taxes on your home or personal property.
- State and local sales taxes (treat instead as part of the cost of the property).
- Other taxes not related to your business.

Lines 26a through 26d You may deduct only 80% of your business-related meal and entertainment expenses, including meals incurred while away from home in the pursuit of your business. See Pub. 550, Section 167, for details.

Lines 26a through 26d You may deduct only 80% of your business-related meal and entertainment expenses, including meals incurred while away from home in the pursuit of your business. See Pub. 550, Section 167, for details.

Business meal expenses are deductible only if they are: (1) directly related to or in the pursuit of your trade or business, (2) not extravagant, and (3) incurred while you or your employee is present at the meal.

There are exceptions to these rules as well as other rules that apply to sky box rentals, tickets to entertainment events, and luxury travel. Get Pub. 463.

You cannot deduct any expense paid or incurred for a facility (such as a yacht or hunting lodge) used for any activity usually considered entertainment, amusement, or recreation. **Note:** You may be able to deduct the expense if the amount is treated as compensation and reported on Form W-2 for an employee or Form 1099-MISC for an independent contractor. See Pub. 463.

Foreign Conventions. Generally, you cannot deduct expenses for attending a foreign convention unless it is directly related to your trade or business. If it is reasonable for the meeting to be held outside the North American area or Jamaica as within it. These rules apply to both employers and employees. See Pub. 463.

Line 26c Enter your total meal and entertainment expense.

Line 26c Figure how much of the amount on line 26b is subject to the 80% limit. Enter the result on line 26c.

Lines 28a and 28b Enter on line 28a the total salaries and wages (other than salaries and wages deducted elsewhere on your return) paid or accrued for the year. Do not include amounts paid to yourself.

Caution: If you provided taxable fringe benefits to your employees, such as personal use of a car, do not deduct as wages the amount applicable to depreciation and other expenses claimed elsewhere.

Enter on line 28b the jobs credit from Form 3884, Jobs Credit.

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activity, use Form 6198, Computation of Deductible Loss From an Activity. Described in Section 465(c), to determine the allowable loss.

Check box 32b if you have amounts for which you are not at risk for this business, such as the following:

- 1 nonrecourse loans used to finance your business, or to acquire property used in the business, unless they are secured by certain real property used in an activity of holding real property, or
- 2 amounts protected against less by a guarantee, stop loss agreement, or similar arrangement, or
- 3 loans from someone who has an interest in your business, other than as a creditor, or to a person (other than yourself) having such an interest, or
- 4 amounts contributed to your business, or nonrecourse loans or protected against loss by a guarantee, stop loss agreement, or similar arrangement, or
- loans from a person described in 3 above

If you do not have any of these kinds of amounts for which you are not at risk in this business, check box 32a and enter your loss on line 31. If you answered "No" to Question 1 in this case, you must complete Form 6198 to figure your allowable loss. Enter on line 31.

If you checked box 32b, get Form 6198 to complete the computation of your allowable loss and enter that amount on line 31. But if you answered "No" to Question 1, your loss may be further limited. See Form 6198.

If, in addition to the amount that you report on Schedule C, you dispose of an asset used in an activity to which the at risk rules apply and you have amounts in the activity for which you are not at risk, see the instructions for Form 6198.

Any loss from this business not allowed for 1988 because of the at risk rules is carried over and added to the loss from this business in 1989. For more details, see Form 6198 and Pub. 925.

Part III

Cost of Goods Sold and/or Operations

Certain expenses must be capitalized or included in inventory. See the instructions for Part II.

Cost of Goods Sold. If you engaged in a trade or business in which the production, purchase, or sale of merchandise was an income-producing factor, merchandise inventories must be taken into account at the beginning and end of your tax year.

Cost of Operations. Inventories Not an Income-Producing Factor. If the amount on line 12 is greater than the amount on line 11, Part III, complete lines 1 through 8 of Part III as appropriate.

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Instructions for Schedule SE

Social Security Self-Employment Tax

Purpose

If you are subject to self-employment tax, use Schedule SE to figure any tax due on your net earnings from self-employment. You may also have to pay this tax on wages you were paid as an employee of a church or other religious organization. The Social Security Administration uses the information from Schedule SE to figure your benefits under the social security program. This tax applies no matter how old you are. It applies even if you are already getting social security benefits.

Get Pub. 533, Self-Employment Tax, for details.

Note: The Schedule SE has two sections: Section A, Short Schedule SE, and Section B, Long Schedule SE.

Who Must File Schedule SE

You must file Schedule SE if a and b below apply to you.

a. You were self-employed, and your net earnings from self-employment were \$400 or more. (If you had wages of \$100 or more as an employee of an electing church or organization controlled by a church.)

b. You did not have wages (including tips) other than medicare qualified government wages, of \$45,000 or more that were subject to social security tax or railroad retirement tax.

Who Can File Schedule SE

Even if you are not required to file Schedule SE, it may be to your benefit to file it and use the optional method in Section B. **Note:** Using the optional method may give you a larger refund. But you will also increase your self-employment tax.

How can the optional method help you?

1. **Social security coverage.** — The optional method may give you a larger refund. But you will also increase your self-employment tax.

2. **Earned income credit.** — Depending on your circumstances, using the optional method may qualify you to claim the earned income credit or give you a larger refund. This could happen if your SE earnings are less than \$1,600. Figure the earned income credit with and without using the optional method to see if the optional method will benefit you.

3. **Child and dependent care credit.** — The optional method may also help you if your SE earnings are less than \$1,600 and you want to increase your net SE earnings to qualify to claim the child and dependent care credit.

Who is Subject to Self-Employment Tax?

Self-Employed Persons. You are subject to SE tax if you had net earnings from being

self-employed. If you are in business for yourself, or are a farmer, for example, you are self-employed.

Your shares of certain partnership income and guaranteed payments are subject to SE tax. Read the Partnership instructions on page 38.

Employees of Churches and Church-Related Organizations. If you are an employee of a church or qualified church-controlled organization that has in effect a certificate of electing exemption from employer social security taxes, you may be subject to SE tax on your wages. This applies if the wages were \$100 or more from any one church or church-related organization. If you are an employee of a church or church-related organization, you also have medicare qualified government wages, you must use the worksheet for line 6b. The worksheet is on page 39 of the instructions.

U.S. Citizens Employed by Foreign Governments or International Organizations. You are subject to SE tax if you are a U.S. citizen employed

• in the United States, Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, or the Virgin Islands;

• by a foreign government; and

• as a member of a foreign government or as an international organization. Report income from this employment on Schedule SE (Section A or B), line 2. If you are employed by a foreign government or international organization in a country other than the United States, you are not subject to this tax.

U.S. Citizens or Resident Aliens Living Outside the United States. If you are a self-employed U.S. citizen or resident alien living outside the United States, in most cases you are subject to the self-employment tax. You may reduce your foreign earnings from self-employment by your foreign earned income exclusion.

Coverage for Overseas Missionaries. You may figure net earnings from self-employment as if you were in the United States if

• You are a U.S. citizen, and

• You were a minister (but not a Christian Science practitioner) or a member of a religious order serving outside the United States; and

• You are not exempt from SE tax because of an exemption from self-employment tax for Use by Ministers, Members of Religious Orders and Christian Science Practitioners. Get Pub. 517 for more details.

Who is Not Subject to Self-Employment Tax?

Members of the Clergy and Certain Religious Orders and Sects. In most cases you are subject to SE tax on your net earnings you get as a minister, a member of a religious order, who is not taken a vow of poverty, or a member of a sect or order.

But you will not be subject to the tax on those net earnings if you filed Form 4361 and IRS approved you as exempt from the tax. In this case, if you have no other

income subject to SE tax, write "Exempt—Form 4361" on Form 1040, line 48. However, if you have other earnings of \$400 or more subject to SE tax, you must use Schedule SE. **Note:** If you have ever filed Form 2031 to elect social security coverage on your earnings as a minister, you cannot change that election now.

If you have conscientious objections to social security insurance because of your belief in the teachings of a recognized religious sect of which you are a member, you are not subject to SE tax. If you get IRS approval, you may file Form 4029, Application for Exemption From Tax on Self-Employment Income and Waiver of Benefits. In this case, do not file Schedule SE. Instead, write "Exempt—Form 4029" on Form 1040, line 48. **Note:** Form 4029 is for church members only. It does not apply to those who are not members of a church or church-related organization.

Net Earnings From Self-Employment. What is included in net SE earnings? In most cases, net earnings include your net profit from a farm or nonfarm business if you are a partner in a partnership, see the instructions below.

Do not report on lines 1 and 2 any income or expense not included in figuring net SE earnings. If you are a partner, reduce lines 1 and 2 for an deduction for recovery or unreimbursed partnership expenses. You must attach a statement to explain why you are not including certain items of income or expense.

If you deposited earnings into a capital construction fund set up under the Merchant Marine Act of 1936, get Pub. 595.

If you are a duly ordained minister who is subject to SE tax, the unreimbursed business expenses that you incurred as a church employee are allowed only as an itemized deduction. They are deducted from your SE earnings in figuring SE tax. However, special rules apply. Get Pub. 517.

Partnerships

If you are a general partner, include in your total net earnings your share of partnership income or loss from the trade or business. Also include any guaranteed payments your partnership paid you for your personal services to use in the partnership. Schedule K-1 (Form 1065) should show net earnings for either general or limited partners.

If your partnership is engaged solely in the operation of a group investment program, earnings from the operation are not self-employment earnings for either the general or limited partner.

If you are a partner in a partnership, each of you are treated as if you own an equal share of the partnership income. Each of you must file a Schedule SE and report the partnership income or loss on Schedule E (Form 1040), Part II, for income tax purposes.

SE income belongs to the person who is the member of the partnership and cannot be treated as SE income by the nonmember. Community income applies even in community property states.

If a partner in an ongoing partnership dies, that member's share of partnership ordinary income or loss for the year must be included in the partner's net SE earnings.

Share Farming

You are considered self-employed if you produced crops or livestock on someone else's land or for a share of the crops or livestock.

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livestock produced (or the proceeds from them). This is true even if you had another person ("agent") doing the actual work or management for you. Report your net earnings from share farming on Schedule SE, line 1. For SE tax purposes, see Section 1402(f) for more details, get Pub. 225, Farmer's Tax Guide.

Other Income Included in Net Earnings From Self-Employment. Rental income from a farm, if as landlord, or management materially in the production of farm products on this land. This income is farm earnings. (To determine whether you participated materially in farm management or production, do not consider the material participation tests are explained in Pub. 225.

• Cash or a payment in kind from the Department of Agriculture for being in a land diversion program.

• Payments for the use of rooms or other space when you also provided substantial services. Examples are hotel rooms, boarding houses, and tourist camps.

• Payments for space in parking lots, trailer parks, warehouses, or storage garages.

• Income from the retail sale of newspapers and magazines if you are 18 or over and kept the profits.

• Income as a crew member of a fishing vessel with a crew of normally less than 10 people. Get Pub. 595.

• Fees as a state or local government employee if you were paid only on a fee basis. If you are a contractor for a Federal/State social security coverage agreement.

• Interest received in the course of any trade or business, such as interest on notes or accounts receivable.

• The rental value of a home or an allowance for a home furnished you as a minister or a member of a religious order.

• The value of meals and lodging given to you for the convenience of your employer if you are a minister or member of a religious order.

• Fees and other payments received by you as a director of a corporation for services as a director. Beginning in 1988, director's earnings are treated as received when the services are performed, regardless of when paid, for SE tax purposes.

Caution: At the time these instructions were prepared, the IRS was considering that would prevent this change from going into effect. Get Pub. 553, Highlights of 1988 Tax Changes, to find out whether this law was passed.

• Recapture amounts under sections 179 and 280F that you included in gross income because the business use of the property dropped to 50% or less. Do not deduct the amounts from the worksheet and skip line 7 of Section B.

• Business Property. You are considered self-employed if you are a professional fiduciary. This may also apply to fees you got as a nonprofessional fiduciary if the fees relate to active participation in the operation of the estate's

business, or the management of an estate that required extensive management activities over a long period of time.

Option and commodity dealers engaged in trading section 1256 contracts, see Section 1402(f) for more details, see Section 1402(f) for more details, see Section 1402(f) for more details.

Income Not Included in Net Earnings From Self-Employment. • Salaries, fees, etc., subject to social security tax that you received for performing services as an employee, officer, or director of a corporation, public official (except as a fee basis government employee as explained under Other Income included in Net Earnings From Self-Employment) or as an employee or employee representative under the railroad retirement system.

• Income you received as a retired partner in a partnership that was not a partnership for federal income tax purposes, or for federal income tax purposes, or for federal income tax purposes, or for federal income tax purposes.

• Income from real estate rentals (including rentals paid in crop shares), if you did not get the income in the course of a trade or business and crop shares received from a tenant or shareholder. You should report this income on Schedule E, Part I.

• Dividends on shares of stock and interest on bonds, notes, etc., if you did not get the income in the course of your trade or business as a dealer in stocks or securities.

• Gain or loss from:

a. the sale or exchange of a capital asset, b. the sale, exchange, involuntary conversion, or theft of property, or the property that would be includible in inventory, or held primarily for sale to customers in the ordinary course of the business, or

c. certain transactions in timber, coal, or domestic iron ore.

• Net operating losses from other years.

Medicare Qualified Government Employment. Medicare qualified government wages are wages you get as a Federal, state, or local government employee that are subject ONLY to the 1.45% medicare tax. If you received such wages, do NOT include them as social security wages on Schedule SE.

line 5a. Wages you enter on line 5a are and include subject to the 1.45% medicare tax as well as the 1.45% medicare tax.

Note: Also see the instructions for Form 1040, line 60, to see if you should file Form 4469, Computation of Excess Medicare Tax Credit.

Figure your SE tax using the rate below line 7 of Section B. If you do not have to use the worksheet below, do not reduce the rate by the medicare tax rate. But you must enter the worksheet and skip line 7 of Section B.

a. You had medicare qualified government wages as explained above, and b. the total of the amounts on lines 3a, 3b, 3c, 6b, and 6c of Schedule SE is more than \$45,000.

a. You had medicare qualified government wages as explained above, and b. the total of the amounts on lines 3a, 3b, 3c, 6b, and 6c of Schedule SE is more than \$45,000.

a. You had medicare qualified government wages as explained above, and b. the total of the amounts on lines 3a, 3b, 3c, 6b, and 6c of Schedule SE is more than \$45,000.

Worksheet—(Keep for your records)

- Enter total of lines 3a, 3b, and 3c. **Line 3d**
- Enter line 6a from Schedule SE. **Line 3e**
- Enter your medicare qualified government wages from Schedule SE. **Line 3f**
- Subtract line 3 from line 2. If zero or less, enter -0-. **Line 3g**
- Multiply line 3g by line 1 or line 2 by line 1. **Line 3h**
- Enter the smaller of line 1 or line 2 by line 1. **Line 3i**
- Enter line 3h from line 5. **Line 3j**
- Enter line 3i from line 6. **Line 3k**
- Enter line 3j from line 7. **Line 3l**
- Enter line 3k from line 8. **Line 3m**
- Enter line 3l from line 10. **Line 3n**

Optional Method

Optional Method for FARM Income

Was your gross farm income for the year \$2,400 or less? If it was, you can report two-thirds of your gross farm income instead of your actual net earnings from farming on line 3a of Part II and line 10 of Part II.

If your gross farm income was more than \$2,400, and your net farm profits were less than \$1,600, you can report \$1,600 on line 3a of Part II and line 10 of Part II.

If you can use this method, it can increase or decrease your net SE farm income, even if the farming business resulted in a loss. There is no limit on how you use this method. You must apply it to all farm earnings from self-employment for the year.

You may change the method after you file your return. For example, you can change from the regular method to the optional or from the optional to the regular.

For a farm partnership, figure your share of gross income based on the partnership agreement. With guaranteed payments, your share of gross income is your guaranteed payments plus your share of the gross income after it is reduced by all guaranteed payments of the partnership. If you are a limited partner, include only guaranteed payments.

Optional Method for NONFARM Income
Were your net nonfarm profits less than \$1,600 and also less than two-thirds of your gross nonfarm income? If they were, you may use this method if you are regularly self-employed or regularly a partner. You must report your net earnings from self-employment of \$400 or more in at least 2 of the 3 years just before the year for which you use this nonfarm method. The net earnings of \$400 or more could be from either farm or nonfarm earnings or both. The net earnings include your distributive share of the income or loss from your partnerships.

You may use the optional method of Part I and line 12 of Part II if the net earnings from nonfarm income, up to \$1,600 as your net earnings, but you may not report less than your actual net earnings from nonfarm self-employment.

For a nonfarm partnership, see **Optional Method for Farm Income** for details on how to figure your share of gross income.

The limit for the optional method for nonfarm self-employment is five years. The five years do not have to be one after another.

Using Both Optional Methods

Did you have both nonfarm and farm income? If you did, you may use the nonfarm optional method if:

- your actual net earnings from nonfarm self-employment were less than \$1,600, and your net farm profits were less than two-thirds of your gross farm income. If this is true, you may report your net earnings from farm and nonfarm income. You cannot report less than your actual net earnings from nonfarm SE income alone.
- you use both methods to figure net earnings; you cannot report more than \$1,600 of net SE earnings.

Line 10

Enter the smaller of:
• two-thirds (2/3) of the total gross income from all Schedules F, line 12, and Schedules K-1 (Form 1065), line 14b, or
• \$1,600.

Line 12

Enter the smallest of:
• \$1,600; or
• two-thirds (2/3) of the total gross income from all Schedules F, line 12, and Schedules K-1 (Form 1065), line 14b, or
• the amount on line 5 if you also had farm income and elect the farm optional method.

Instructions for

Schedule F

Farm Income and Expenses

Purpose

Use Schedule F to report farm income and expenses. File it with Forms 1040, 1041, 1041S, or 1065.

Additional Information, Pub. 225. Farmer's Tax Guide has samples of filled-in forms and schedules, and lists important dates that apply to farmers. It also contains information about some of the payments under the Disaster Assistance Act of 1988.

Flies of Forms 1041, 1041S, and 1065. Do not complete the block labeled "Social Security Number" (SSN) on Schedule F (Not SSN). The block labeled "Employer ID number" (EIN) is optional.

If you had to make estimated tax payments in 1988 and you underpaid your estimated tax, you will not be charged a penalty if:

- your gross farming or fishing income for 1987 or 1988 is at least two-thirds of your gross income. AND

2. you file your 1988 tax return and pay the tax due by March 1, 1989.
For more details, see Pub. 225.

Do not report the following income on Schedule F:

- Rent based on farm production or crop shares if you did not materially participate (from a partnership or joint venture) in the management or operation of the farm and the activity is a rental activity for purposes of the passive activity loss and credit limitations. **Schedule E (Form 1040)** It is an exception to the general rule that you must report to self-employment tax. See **4835 and Schedule E (Form 1040)**.

- Rent from pasture land that is based on a flat charge. Report this income in Part I of Schedule F. But report on line 11 of Schedule F pasture income received from taking care of someone else's livestock.
- Sales, exchanges, or involuntary conversions (other than casualties or thefts) of certain farm property. Report this income on **Form 706**.
- Stock held for draft, breeding, sport, or dairy purposes. Report this income on **Form 4797**.

Use **Form 4684** to report a casualty or theft involving farm business property, including livestock held for draft, breeding, sport, or dairy purposes.

Filing Information Returns

You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interests, rents, royalties, annuities, and pensions. You may also have to file information returns if you sold a \$5,000 or more capital asset, or if you are a person on a buy-sell, deposit-commission, or other basis for resale. For more information, get **Pub. 916**.

In addition, if you received cash of more than \$10,000 in one or more related transactions in your farming business, you may have to file **Form 8300**.

Lines A and B

On line A, enter your principal crop or activity for the current year.

On line B, enter one of the fifteen major agricultural activity codes listed in Part IV on page 2 of Schedule F. The code you select should represent the major farm activity from which you derive the largest amount of your income. Field crop pertains to corn, soybeans, and other field crops.

For example, if you raise corn, soybeans, barley, rye, and lentils, and nongrains such as cotton, tobacco, sugar, and Irish potatoes, **Animal specialty** includes the raising of pets or laboratory animals, such as dogs, cats, bees, and snakes.

Line C

Under the cash method, include all income in the year you actually get it. Generally, deduct expenses when you pay them if you use the cash method. Check the box labeled "cash." Complete Part I of the box labeled "cash." Complete Part I of the box labeled "cash."

Under the accrual method, include income in the year you actually get it. Under the accrual method, include income in the year you actually get it. Under the accrual method, include income in the year you actually get it. Under the accrual method, include income in the year you actually get it.

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the direct costs of the property and the share of any indirect costs allocable to that property.

These rules generally do NOT apply to any plant or animal produced in your farming business that has a preproductive period of 2 years or less. Also, these rules generally do not apply to expenses of repairing certain crops if they were lost or damaged by natural disease, drought, or other casualty.

Even if the preproductive period of the plant or animal you produce is more than 2 years, you may elect to currently deduct these expenses. But you may not make this election for the costs of planting or growing citrus or almond groves that are incurred beginning with the fourth tax year after the year in which you plant them.

For information on the treatment of expenses for a preproductive period, see **Section 179**.

Notes: 1. Expenses may not be made by tax shelter, partnership, or trust. 2. Expenses required to use the accrual method of accounting under Internal Revenue Code section 447.

If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 10
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 11
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 12
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 13
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 14
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 15
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 16
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 17
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 18
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 19
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 20
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 21
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 22
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 23
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 24
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 25
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 26
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

Line 27
If you elect to currently deduct your preproductive period expenses, you will have to recapture these costs as ordinary income when you dispose of this property. The alternative depreciation rules apply to the recapture of these costs. For more information, see **Section 179**.

If you ran the farm yourself and received rental based on farm production or crop shares, report these rents as income on line 4.

Sales of Livestock Because of Drought. If you sold livestock because of a drought, you can count the income from the sale in the year after the drought, instead of the year of the sale. You can do this if:

- your main business is farming, AND
- you can show that you sold the livestock only because of the drought, AND
- your area qualified for Federal aid.

Information Returns

If you received information returns (Forms 1099) showing amounts paid to you, first determine if the amounts are to be included below in income. Then, use the chart below to determine if you must report the income on Schedule F. Include the Form 1099 amounts with any other income reported on that line.

Information return Where to report

Form 1099-PATR Line 5a

Form 1099-G Line 7a

Form 1099-A Line 8b

Form 1099-MISC (for crop insurance) Line 9a

You may also receive Form 1099-MISC report it on whichever line best describes the income. For example, if you received a Form 1099-MISC for custom farming work, include this amount on line 10. *Custom hire (machine work) income.

Lines 1 and 2

On line 1, show amounts received from sales of livestock and other items bought for resale. On line 2, show the cost or other basis of the livestock and other items you actually sold.

Line 4

Show amounts received from sales of livestock, produce, grains, and other products you raised.

Lines 5a and 5b

If you received distributions from a partnership, you should receive Form 1099-PATR. Report the distributions (Partners) of Taxable Distributions Received From Partners on line 5a show your total distributions from cooperatives. This includes patronage dividends, nonpatronage dividends, per-unit allocations, and redemption of allocations.

Show patronage dividends received in cash, and the dollar amount of qualified written notices of allocation. If you received property as patronage dividends, report the fair market value of the property as income.

Include cash advances received from a marketing cooperative. If you get per-unit marketing advances, report the amount of the advance on line 5b. If you get qualified per-unit marketing certificates, show the stated dollar amount of the certificate.

Part I
Farm Income—Cash Method
In Part I, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part II
Farm Income—Accrual Method
In Part II, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part III
Farm Income—Other Methods
In Part III, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part IV
Farm Income—Other Methods
In Part IV, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part V
Farm Income—Other Methods
In Part V, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part VI
Farm Income—Other Methods
In Part VI, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Part VII
Farm Income—Other Methods
In Part VII, show income received for items listed on lines 1 through 11. Count both the cash actually or constructively received and property received for the items.

Income is constructively received when it is credited to your account or set aside for you to use.

Notes

Lines 35a through 35e

Enter expenses not listed on another line, such as:

- Office supplies
- Advertising
- Any loss from this activity that was not allowed as a deduction last year because of the 3-year rule. If you have a carryover deduction allowable to this activity in 1988, amortization of qualifying forestation and reforestation costs over an 84-month period.
- Amortization of certain business startup costs over a period of at least 60 months.

Use Form 4562 to figure your amortization deduction. Include on line 35 of Schedule F the amount of the deduction from Form 4562, Part II. For more information on amortization, get Pub. 535.

- Bad Debts. Include debts and partial debts arising from sales that were included in your income and that you determined you cannot take a bad debt deduction unless the amount was previously included in income.

If you later collect a debt that you deducted as a bad debt, include it as income in the year you collect it.

Note: If you used the reserve method prior to 1987 to figure your bad debts, any balance you had in your reserve account at the end of 1988 must be included in your income ratably over a 4-year period.

For more details, get Pub. 548.

- Deduction for Bad Debts. You can deduct the actual cost of running your car or truck or take the standard mileage rate.
- Note:** If you claim any car or truck expenses (actual costs or the standard mileage rate), you must complete Part III of Form 4562.

The standard rate is 24 cents a mile up to 15,000 miles for 1988, and 11 cents a mile for each mile after that. If you use more than the standard rate, you must use the actual cost. If you use the vehicle for both personal and farm purposes, show only the miles (or costs) which apply to farming.

For vehicles that have been fully depreciated, the rate is 11 cents a mile. If you use the standard rate, the vehicle is considered to have a useful life of 60,000 miles of business use at the maximum standard mileage rate.

For details, get Pub. 917, Business Use of a Car.

Note: If you use certain highway trucks, truck trailers, tractor-trailers, or buses in your business, you may be eligible to pay a Federal highway use tax. Get Form 2290, Heavy Vehicle Use Tax Return, to see if you owe this tax.

Line 37

Enter on line 37 preproductive period expenses. If you had preproductive period expenses in 1988 and you checked the "No" box on line G of Schedule F because you decided to capitalize these expenses, there **MUST** be an entry on this line. If you checked the "No" box but you did not have any preproductive period expenses in 1988, do not enter an amount on line 37.

Do not enter an amount on line 37 if either of the following applies:

- You made the election on line G to currently deduct your preproductive period expenses (you checked the "Yes" box), or
- You checked the "Does Not Apply" box on line G.

For more information, see the instructions for line G and Pub. 225.

Line 39

If you have a loss, the amount of loss you enter on line 39 is the amount of loss on lines 40a and 40b before entering your loss on line 39. If you answered "No" to Question F on Schedule F, also see Form 8582. Enter the net profit or deductible loss here and on Form 1040, line 19, and on Form 1041S, line 5. Partnerships should enter the net profit or deductible loss on this line and on Form 1065, line 5.

Lines 40a and 40b**At-Risk Rules**

Deductions for losses by persons who are engaged in a trade or business or an activity for the production of income, including the holding of real property (other than mineral property), are limited to the amount they have at risk in the business.

If (1) you have a loss from any farming activity, or (2) you have a loss from any business or for the production of income, including the holding of real property (other than mineral property) placed in service after December 31, 1986, and (2) you have amounts for which you are not at risk in the activity, use Form 6198, Computation of the Amount of Loss From an Activity Described in Section 465(c), to determine the allowable loss.

Check box 40b if you have amounts for which you are not at risk for this farm, such as the following:

1. nonrecourse loans used to finance the activity, to acquire property used in the activity, or to acquire your interest in the activity, unless they are secured by property not used in the activity or by certain real property.
2. amounts protected against loss by a guarantee, stop-loss agreement, or similar arrangement, or

3. loans from someone who has an interest in the activity, other than as a creditor, or who is related, under section 465(b)(3)(C), to a person (other than yourself) having such an interest, or
4. amounts contributed to the activity, or to your interest in the activity that is covered by:
 - nonrecourse loans or protected against loss by a guarantee, stop-loss agreement, or similar arrangement,
 - loans from a person described in 3 above.

If you do not have any of these risks of loss, check box 40a and enter your loss on line 39 unless you answered "No" to Question F. In this case, you must complete Form 8582 to figure your allowable loss to enter on line 39.

If you checked box 40b, get Form 6198 to determine the amount of your deductible loss and enter that amount on line 39. But if you answered "No" to Question F, your loss may be further limited. See Form 8582. If your at-risk amount is zero or less, enter zero on line 39. Be sure to attach Form 6198 to your return. If you checked box 40b and you fail to attach Form 6198, processing of your tax return may be delayed.

If, in addition to the amount that you report on Schedule F, you sell or otherwise dispose of assets used in the activity for which the at-risk rules apply and you have amounts in the activity for which you are not at risk, see the instructions for Form 6198.

Any loss from this activity not allowed for 1988 because of the at-risk rules is treated as a deduction allocable to the activity in 1989.

For more details, get Pub. 925, Passive Activity and At-Risk Rules. Also see the instructions for Form 6198.

Part III**Farm Income—Accrual Method**

If you use the accrual method, report farm income and expenses on line 41. You must receive it. Generally, you must inventory your animals and crops if you use this method. Get Pub. 538, Accounting Periods and Methods, for exceptions, inventory methods, how to change methods of accounting, and for rules that require certain costs to be capitalized or included in inventory.

Line 41

Enter the amount you got from the sales of livestock, produce, grains, and other products you raised.

Lines 42a through 48

See instructions for Part I, lines 5a and 5b, 7a–8c, 10, and 11.

• This column must also be used by a qualifying widow(er)	Continued on next page
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1988 Tax Table—Continued

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- This column must also be used by a qualifying widow(er)

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1988 Tax Table—Continued

If line 37 (income) is—		And you are—		If line 37 (income) is—		And you are—		If line 37 (income) is—		And you are—	
At least	But less than	Single	Married filing jointly	Head of a household	At least	But less than	Single	Married filing jointly	Head of a household	At least	But less than
Your tax is—		Your tax is—		Your tax is—		Your tax is—		Your tax is—		Your tax is—	
32,000	32,050	6,647	5,100	7,033	5,860	7,487	5,940	7,873	6,700	8,047	6,500
32,050	32,100	6,651	5,104	7,037	5,864	7,491	5,944	7,877	6,704	8,051	6,504
32,100	32,150	6,655	5,108	7,041	5,868	7,495	5,948	7,881	6,708	8,055	6,508
32,150	32,200	6,659	5,112	7,045	5,872	7,499	5,952	7,885	6,712	8,059	6,512
32,200	32,250	6,663	5,116	7,049	5,876	7,503	5,956	7,889	6,716	8,063	6,516
32,250	32,300	6,667	5,120	7,053	5,880	7,507	5,960	7,893	6,720	8,067	6,520
32,300	32,350	6,671	5,124	7,057	5,884	7,511	5,964	7,897	6,724	8,071	6,524
32,350	32,400	6,675	5,128	7,061	5,888	7,515	5,968	7,901	6,728	8,075	6,528
32,400	32,450	6,679	5,132	7,065	5,892	7,519	5,972	7,905	6,732	8,079	6,532
32,450	32,500	6,683	5,136	7,069	5,896	7,523	5,976	7,909	6,736	8,083	6,536
32,500	32,550	6,687	5,140	7,073	5,900	7,527	5,980	7,913	6,740	8,087	6,540
32,550	32,600	6,691	5,144	7,077	5,904	7,531	5,984	7,917	6,744	8,091	6,544
32,600	32,650	6,695	5,148	7,081	5,908	7,535	5,988	7,921	6,748	8,095	6,548
32,650	32,700	6,699	5,152	7,085	5,912	7,539	5,992	7,925	6,752	8,099	6,552
32,700	32,750	6,703	5,156	7,089	5,916	7,543	5,996	7,929	6,756	8,103	6,556
32,750	32,800	6,707	5,160	7,093	5,920	7,547	5,999	7,933	6,760	8,107	6,560
32,800	32,850	6,711	5,164	7,097	5,924	7,551	6,003	7,937	6,764	8,111	6,564
32,850	32,900	6,715	5,168	7,101	5,928	7,555	6,007	7,941	6,768	8,115	6,568
32,900	32,950	6,719	5,172	7,105	5,932	7,559	6,011	7,945	6,772	8,119	6,572
32,950	33,000	6,723	5,176	7,109	5,936	7,563	6,015	7,949	6,776	8,123	6,576
33,000	33,050	6,727	5,180	7,113	5,940	7,567	6,019	7,953	6,780	8,127	6,580
33,050	33,100	6,731	5,184	7,117	5,944	7,571	6,023	7,957	6,784	8,131	6,584
33,100	33,150	6,735	5,188	7,121	5,948	7,575	6,027	7,961	6,788	8,135	6,588
33,150	33,200	6,739	5,192	7,125	5,952	7,579	6,031	7,965	6,792	8,139	6,592
33,200	33,250	6,743	5,196	7,129	5,956	7,583	6,035	7,969	6,796	8,143	6,596
33,250	33,300	6,747	5,200	7,133	5,960	7,587	6,039	7,973	6,800	8,147	6,600
33,300	33,350	6,751	5,204	7,137	5,964	7,591	6,043	7,977	6,804	8,151	6,604
33,350	33,400	6,755	5,208	7,141	5,968	7,595	6,047	7,981	6,808	8,155	6,608
33,400	33,450	6,759	5,212	7,145	5,972	7,599	6,051	7,985	6,812	8,159	6,612
33,450	33,500	6,763	5,216	7,149	5,976	7,603	6,055	7,989	6,816	8,163	6,616
33,500	33,550	6,767	5,220	7,153	5,980	7,607	6,059	7,993	6,820	8,167	6,620
33,550	33,600	6,771	5,224	7,157	5,984	7,611	6,063	7,997	6,824	8,171	6,624
33,600	33,650	6,775	5,228	7,161	5,988	7,615	6,067	7,999	6,828	8,173	6,628
33,650	33,700	6,779	5,232	7,165	5,992	7,619	6,071	8,003	6,832	8,177	6,632
33,700	33,750	6,783	5,236	7,169	5,996	7,623	6,075	8,007	6,836	8,181	6,636
33,750	33,800	6,787	5,240	7,173	5,999	7,627	6,079	8,011	6,840	8,185	6,640
33,800	33,850	6,791	5,244	7,177	6,003	7,631	6,083	8,015	6,844	8,189	6,644
33,850	33,900	6,795	5,248	7,181	6,007	7,635	6,087	8,019	6,848	8,193	6,648
33,900	33,950	6,799	5,252	7,185	6,011	7,639	6,091	8,023	6,852	8,197	6,652
33,950	34,000	6,803	5,256	7,189	6,015	7,643	6,095	8,027	6,856	8,201	6,656
34,000	34,050	6,807	5,260	7,193	6,019	7,647	6,099	8,031	6,860	8,205	6,660
34,050	34,100	6,811	5,264	7,197	6,023	7,651	6,103	8,035	6,864	8,209	6,664
34,100	34,150	6,815	5,268	7,201	6,027	7,655	6,107	8,039	6,868	8,213	6,668
34,150	34,200	6,819	5,272	7,205	6,031	7,659	6,111	8,043	6,872	8,217	6,672
34,200	34,250	6,823	5,276	7,209	6,035	7,663	6,115	8,047	6,876	8,221	6,676
34,250	34,300	6,827	5,280	7,213	6,039	7,667	6,119	8,051	6,880	8,225	6,680
34,300	34,350	6,831	5,284	7,217	6,043	7,671	6,123	8,055	6,884	8,229	6,684
34,350	34,400	6,835	5,288	7,221	6,047	7,675	6,127	8,059	6,888	8,233	6,688
34,400	34,450	6,839	5,292	7,225	6,051	7,679	6,131	8,063	6,892	8,237	6,692
34,450	34,500	6,843	5,296	7,229	6,055	7,683	6,135	8,067	6,896	8,241	6,696
34,500	34,550	6,847	5,300	7,233	6,059	7,687	6,139	8,071	6,900	8,245	6,700
34,550	34,600	6,851	5,304	7,237	6,063	7,691	6,143	8,075	6,904	8,249	6,704
34,600	34,650	6,855	5,308	7,241	6,067	7,695	6,147	8,079	6,908	8,253	6,708
34,650	34,700	6,859	5,312	7,245	6,071	7,699	6,151	8,083	6,912	8,257	6,712
34,700	34,750	6,863	5,316	7,249	6,075	7,703	6,155	8,087	6,916	8,261	6,716
34,750	34,800	6,867	5,320	7,253	6,079	7,707	6,159	8,091	6,920	8,265	6,720
34,800	34,850	6,871	5,324	7,257	6,083	7,711	6,163	8,095	6,924	8,269	6,724
34,850	34,900	6,875	5,328	7,261	6,087	7,715	6,167	8,099	6,928	8,273	6,728
34,900	34,950	6,879	5,332	7,265	6,091	7,719	6,171	8,103	6,932	8,277	6,732
34,950	35,000	6,883	5,336	7,269	6,095	7,723	6,175	8,107	6,936	8,281	6,736
35,000	35,050	6,887	5,340	7,273	6,099	7,727	6,179	8,111	6,940	8,285	6,740
35,050	35,100	6,891	5,344	7,277	6,103	7,731	6,183	8,115	6,944	8,289	6,744
35,100	35,150	6,895	5,348	7,281	6,107	7,735	6,187	8,119	6,948	8,293	6,748
35,150	35,200	6,899	5,352	7,285	6,111	7,739	6,191	8,123	6,952	8,297	6,752
35,200	35,250	6,903	5,356	7,289	6,115	7,743	6,195	8,127	6,956	8,301	6,756
35,250	35,300	6,907	5,360	7,293	6,119	7,747	6,199	8,131	6,960	8,305	6,760
35,300	35,350	6,911	5,364	7,297	6,123	7,751	6,203	8,135	6,964	8,309	6,764
35,350	35,400	6,915	5,368	7,301	6,127	7,755	6,207	8,139	6,968	8,313	6,768
35,400	35,450	6,919	5,372	7,305	6,131	7,759	6,211	8,143	6,972	8,317	6,772
35,450	35,500	6,923	5,376	7,309	6,135	7,763	6,215	8,147	6,976	8,321	6,776
35,500	35,550	6,927	5,380	7,313	6,139	7,767	6,219	8,151	6,980	8,325	6,780
35,550	35,600	6,931	5,384	7,317	6,143	7,771	6,223	8,155	6,984	8,329	6,784
35,600	35,650	6,935	5,388	7,321	6,147	7,775	6,227	8,159	6,988	8,333	6,788
35,650	35,700	6,939	5,392	7,325	6,151	7,779	6,231	8,163	6,992	8,337	6,792
35,700	35,750	6,943	5,396	7,329	6,155	7,783	6,235	8,167	6,996	8,341	6,796
35,750	35,800	6,947	5,400	7,333	6,159	7,787	6,239	8,171	7,000	8,345	6,800
35,800	35,850	6,951	5,404	7,337	6,163	7,791	6,243	8,175	7,004	8,349	6,804
35,850	35,900	6,955	5,408	7,341	6,167	7,795	6,247	8,179	7,008	8,353	6,808
35,900	35,950	6,959	5,412	7,345	6,171	7,799	6,251	8,183	7,012	8,357	6,812
35,950	36,000	6,963	5,416	7,349	6,175	7,803	6,255	8,187	7,016	8,361	6,816
36,000	36,050	6,967	5,420	7,353	6,179	7,807	6,259	8,191	7,020	8,365	6,820
36,050	36,100	6,971	5,424	7,357	6,183	7,811	6,263	8,195	7,024	8,369	6,824
36,100	36,150	6,975	5,428	7,361	6,187	7,815	6,267	8,199	7,028	8,373	

1988 Tax Rate Schedules

ONLY if your taxable income (Form 1040, line 37) is more. If less, use the **Tax Table**.

Schedule X—Use if your filing status is Single				Schedule Z—Use if your filing status is Head of household			
If the amount on Form 1040, line 37, is		Enter on Form 1040, line 38		If the amount on Form 1040, line 37, is		Enter on Form 1040, line 38	
Over—	But not over—	of the amount over—		Over—	But not over—	of the amount over—	
\$0	\$17,850	15%	\$0	\$0	\$23,900	15%	\$0
17,850	43,150	\$2,677.50 + 28%	17,850	23,900	61,650	\$3,595 + 28%	23,900
43,150	89,560	9,761.50 + 33%	43,150	61,650	123,790	14,155 + 33%	61,650
89,560		Use Worksheet below to figure your tax		123,790		Use Worksheet below to figure your tax	

Schedule Y-1—Use if your filing status is Married filing jointly or Qualifying widow(er)

	Enter on Form 1040, line 38	of the amount over—		Enter on Form 1040, line 38	of the amount over—
If the amount on Form 1040, line 37, is	But not over—				
\$0	\$29,750	15%	\$0	\$14,875	15%
29,750	71,900	\$4,462.50 + 28%	14,875	35,950	\$2,231.25 + 28%
71,900	149,250	16,264.50 + 33%	35,950	113,300	8,132.25 + 33%
149,250			113,300		
		Use Worksheet below to figure your tax			Use Worksheet below to figure your tax

Worksheet (Keep for your records)

1. If you { Single, enter \$25,076.80 }
are { Head of household, enter \$34,661.20 }
filing jointly or Qualifying widow(er), enter \$41,790.00
is { Married filing separately, enter \$33,657.75 }
2. Enter your taxable income from Form 1040, line 37
3. If you { Single, enter \$89,560 }
are { Head of household, enter \$123,790 }
filing jointly or Qualifying widow(er), enter \$149,250
is { Married filing separately, enter \$113,300 }
4. Subtract line 3 from line 2. Enter the result (if the result is zero or less, use the schedule above for your filing status to figure your tax. DO NOT use this worksheet)
5. Multiply the amount on line 4 by 28% (.28). Enter the result
6. Multiply the amount on line 4 by 5% (.05). Enter the result
7. Multiply \$546 by the number of exemptions claimed on Form 1040, line 6e (if married filing separately, see the **Caution** below.) Enter the result
8. Compare the amounts on lines 6 and 7. Enter the **smaller** of the two amounts
9. **Tax.** Add lines 1, 5, and 8. Enter the total here and on Form 1040, line 38

Caution: Pending legislation would require married persons filing separately who did not claim an exemption for their spouse to add \$546 to the result otherwise figured on line 7 above. *Get Pub. 553, Highlights of 1988 Tax Changes, to find out whether this law was passed.*

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1988 Earned Income Credit Table

Caution: *This Is Not a Tax Table*

To find your earned income credit.
Read down the column titled "If line 3 or 4 of the worksheet is —" and find the appropriate amount from the Earned Income Credit Worksheet on page 20 across to the right and find the amount.

If line 3 or 4 of the worksheet is —			Your But credit income is —			If line 3 or 4 of the worksheet is —			Your But credit income is —			If line 3 or 4 of the worksheet is —			Your But credit income is —		
At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	At least	
\$1	\$25	\$2	\$1,600	\$1,625	\$2,26	\$3,200	\$3,225	\$4,60	\$4,800	\$4,825	\$6,24	\$10,000	\$10,025	\$18,57	\$10,000	\$10,025	\$18,57
25	50	5	1,625	1,650	229	3,225	3,250	453	4,825	4,850	677	10,025	10,050	854	10,025	10,050	854
50	75	9	1,650	1,675	233	3,250	3,275	457	4,850	4,875	681	10,050	10,075	852	10,050	10,075	852
75	100	12	1,675	1,700	236	3,275	3,300	460	4,875	4,900	684	10,075	10,100	849	10,075	10,100	849
100	125	16	1,700	1,725	240	3,300	3,325	464	4,900	4,925	688	10,100	10,125	847	10,100	10,125	847
125	150	19	1,725	1,750	243	3,325	3,350	467	4,925	4,950	691	10,125	10,150	844	10,125	10,150	844
150	175	22	1,750	1,775	246	3,350	3,375	470	4,950	4,975	694	10,150	10,175	842	10,150	10,177	842
175	200	26	1,775	1,800	250	3,375	3,400	474	4,975	5,000	698	10,175	10,200	839	10,175	10,200	839
200	225	30	1,800	1,825	254	3,400	3,425	478	5,000	5,025	702	10,200	10,225	837	10,200	10,225	837
225	250	33	1,825	1,850	257	3,425	3,450	481	5,025	5,050	705	10,225	10,250	834	10,225	10,250	834
250	275	37	1,850	1,875	261	3,450	3,475	485	5,050	5,075	709	10,250	10,275	832	10,250	10,277	832
275	300	40	1,875	1,900	264	3,475	3,500	488	5,075	5,100	712	10,275	10,300	829	10,275	10,300	829
300	325	44	1,900	1,925	268	3,500	3,525	492	5,100	5,125	716	10,300	10,325	827	10,300	10,325	827
325	350	47	1,925	1,950	271	3,525	3,550	495	5,125	5,150	719	10,325	10,350	824	10,325	10,350	824
350	375	50	1,950	1,975	275	3,550	3,575	499	5,150	5,175	723	10,350	10,375	822	10,350	10,377	822
375	400	54	1,975	2,000	278	3,575	3,600	502	5,175	5,200	726	10,375	10,400	819	10,375	10,400	819
400	425	58	2,000	2,025	282	3,600	3,625	506	5,200	5,225	730	10,400	10,425	817	10,400	10,425	817
425	450	61	2,025	2,050	285	3,625	3,650	509	5,225	5,250	733	10,425	10,450	814	10,425	10,450	814
450	475	65	2,050	2,075	289	3,650	3,675	513	5,250	5,275	737	10,450	10,475	812	10,450	10,477	812
475	500	68	2,075	2,100	292	3,675	3,700	516	5,275	5,300	740	10,475	10,500	809	10,475	10,500	809
500	525	72	2,100	2,125	296	3,700	3,725	520	5,300	5,325	744	10,500	10,525	807	10,500	10,525	807
525	550	75	2,125	2,150	299	3,725	3,750	523	5,325	5,350	747	10,525	10,550	804	10,525	10,550	804
550	575	79	2,150	2,175	303	3,750	3,775	527	5,350	5,375	751	10,550	10,575	802	10,550	10,577	802
575	600	82	2,175	2,200	306	3,775	3,800	530	5,375	5,400	754	10,575	10,600	799	10,575	10,600	799
600	625	86	2,200	2,225	310	3,800	3,825	534	5,400	5,425	758	10,600	10,625	797	10,600	10,625	797
625	650	89	2,225	2,250	314	3,825	3,850	538	5,425	5,450	761	10,625	10,650	794	10,625	10,650	794
650	675	93	2,250	2,275	317	3,850	3,875	541	5,450	5,475	765	10,650	10,675	792	10,650	10,677	792
675	700	96	2,275	2,300	320	3,875	3,900	544	5,475	5,500	768	10,675	10,700	789	10,675	10,700	789
700	725	100	2,300	2,325	324	3,900	3,925	548	5,500	5,525	772	10,700	10,725	787	10,700	10,725	787
725	750	103	2,325	2,350	327	3,925	3,950	551	5,525	5,550	775	10,725	10,750	784	10,725	10,750	784
750	775	107	2,350	2,375	331	3,950	3,975	555	5,550	5,575	779	10,750	10,775	782	10,750	10,777	782
775	800	110	2,375	2,400	334	3,975	4,000	558	5,575	5,600	782	10,775	10,800	779	10,775	10,800	779
800	825	114	2,400	2,425	338	4,000	4,025	562	5,600	5,625	786	10,800	10,825	777	10,800	10,825	777
825	850	117	2,425	2,450	341	4,025	4,050	565	5,625	5,650	789	10,825	10,850	774	10,825	10,850	774
850	875	121	2,450	2,475	345	4,050	4,075	569	5,650	5,675	793	10,850	10,875	772	10,850	10,877	772
875	900	124	2,475	2,500	348	4,075	4,100	572	5,675	5,700	796	10,875	10,900	769	10,875	10,900	769
900	925	128	2,500	2,525	352	4,100	4,125	576	5,700	5,725	800	10,900	10,925	767	10,900	10,925	767
925	950	131	2,525	2,550	355	4,125	4,150	579	5,725	5,750	803	10,925	10,950	764	10,925	10,950	764
950	975	135	2,550	2,575	359	4,150	4,175	583	5,750	5,775	807	10,950	10,975	762	10,950	10,977	762
975	1,000	138	2,575	2,600	362	4,175	4,200	586	5,775	5,800	810	10,975	11,000	759	10,975	11,000	759
1,000	1,025	142	2,600	2,625	366	4,200	4,225	590	5,800	5,825	814	11,000	11,025	757	11,000	11,025	757
1,025	1,050	145	2,625	2,650	369	4,225	4,250	593	5,825	5,850	817	11,025	11,050	754	11,025	11,050	754
1,050	1,075	149	2,650	2,675	373	4,250	4,275	597	5,850	5,875	821	11,050	11,075	752	11,050	11,077	752
1,075	1,100	152	2,675	2,700	376	4,275	4,300	600	5,875	5,900	824	11,075	11,100	749	11,075	11,100	749
1,100	1,125	156	2,700	2,725	380	4,300	4,325	604	5,900	5,925	828	11,100	11,125	747	11,100	11,125	747
1,125	1,150	159	2,725	2,750	383	4,325	4,350	607	5,925	5,950	831	11,125	11,150	744	11,125	11,150	744
1,150	1,175	163	2,750	2,775	387	4,350	4,375	611	5,950	5,975	835	11,150	11,175	742	11,150	11,177	742
1,175	1,200	166	2,775	2,800	390	4,375	4,400	614	5,975	6,000	838	11,175	11,200	739	11,175	11,200	739
1,200	1,225	170	2,800	2,825	394	4,400	4,425	618	6,000	6,025	842	11,200	11,225	737	11,200	11,225	737
1,225	1,250	173	2,825	2,850	397	4,425	4,450	621	6,025	6,050	845	11,225	11,250	734	11,225	11,250	734
1,250	1,275	177	2,850	2,875	401	4,450	4,475	625	6,050	6,075	849	11,250	11,275	732	11,250	11,277	732
1,275	1,300	180	2,875	2,900	404	4,475	4,500	628	6,075	6,100	852	11,275	11,300	729	11,275	11,300	729
1,300	1,325	184	2,900	2,925	408	4,500	4,525	632	6,100	6,125	856	11,300	11,325	727	11,300	11,325	727
1,325	1,350	187	2,925	2,950	411	4,525	4,550	635	6,125	6,150	859	11,325	11,350	724	11,325	11,350	724
1,350	1,375	191	2,950	2,975	415	4,550	4,575	639	6,150	6,175	863	11,350	11,375	722	11,350	11,377	722
1,375	1,400	194	2,975	3,000	418	4,575	4,600	642	6,175	6,200	866	11,375	11,400	719	11,375	11,400	719
1,400	1,425	198	3,000	3,025	422	4,600	4,625	646	6,200	6,225	870	11,400	11,425	717	11,400	11,425	717
1,425	1,450	201	3,025	3,050	425	4,625	4,650	649	6,225	6,250	874	11,425	11,450	714	11,425	11,450	714
1,450	1,475	205	3,050	3,075	429	4,650	4,675	653	6,250	6,275	878	11,450	11,475	712	11,450	11,477	712
1,475	1,500	208	3,075	3,100	432	4,675	4,700	656	6,275	6,300	881	11,475	11,500	709	11,475	11,500	709
1,500	1,525	212	3,100	3,125	436	4,700	4,725	660	6,300	6,325	885	11,500	11,525	707	11,500	11,525	707
1,525	1,550	215	3,125	3,150	440	4,725	4,750	663	6,325	6,350	888	11,525	11,550	704	11,525	11,550	704
1,550	1,575	219	3,150	3,175	443	4,750	4,775	667	6,350	6,375	892	11,550	11,575	702	11,550	11,577	702
1,575	1,600	222	3,175	3,200	446	4,775	4,800	670	6,375	6,400	895	11,575	11,600	699	11,575	11,600	699

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1988 Earned Income Credit Table (continued)

If line 3 or 4 of the worksheet is—	Your earned credit is—		If line 3 or 4 of the worksheet is—		Your earned credit is—		If line 3 or 4 of the worksheet is—		Your earned credit is—		If line 3 or 4 of the worksheet is—		Your earned credit is—	
	At least	But less than	At least	But less than	At least	But less than	At least	But less than	At least	But less than	At least	But less than	At least	But less than
\$11,600	\$11,625	\$637	\$13,000	\$13,025	\$557	\$14,400	\$14,425	\$417	\$15,800	\$15,825	\$277	\$17,200	\$17,225	\$137
\$11,625	\$11,650	654	\$13,025	\$13,050	584	\$14,425	\$14,450	414	\$15,825	\$15,850	274	\$17,225	\$17,250	134
\$11,650	\$11,675	681	\$13,050	\$13,075	586	\$14,450	\$14,475	415	\$15,850	\$15,875	275	\$17,250	\$17,275	135
\$11,675	\$11,700	698	\$13,075	\$13,100	588	\$14,475	\$14,500	403	\$15,875	\$15,900	262	\$17,275	\$17,300	126
\$11,700	\$11,725	697	\$13,100	\$13,125	587	\$14,500	\$14,525	403	\$15,900	\$15,925	262	\$17,300	\$17,325	127
\$11,725	\$11,750	684	\$13,125	\$13,150	584	\$14,525	\$14,550	404	\$15,925	\$15,950	264	\$17,325	\$17,350	124
\$11,750	\$11,775	682	\$13,150	\$13,175	582	\$14,550	\$14,575	402	\$15,950	\$15,975	262	\$17,350	\$17,375	122
\$11,775	\$11,800	679	\$13,175	\$13,200	589	\$14,575	\$14,600	399	\$15,975	\$16,000	259	\$17,375	\$17,400	119
\$11,800	\$11,825	677	\$13,200	\$13,225	587	\$14,600	\$14,625	397	\$16,000	\$16,025	257	\$17,400	\$17,425	117
\$11,825	\$11,850	674	\$13,225	\$13,250	584	\$14,625	\$14,650	394	\$16,025	\$16,050	254	\$17,425	\$17,450	114
\$11,850	\$11,875	665	\$13,250	\$13,275	583	\$14,650	\$14,675	385	\$16,050	\$16,075	246	\$17,450	\$17,475	109
\$11,875	\$11,900	655	\$13,275	\$13,300	573	\$14,675	\$14,700	385	\$16,075	\$16,100	246	\$17,475	\$17,500	109
\$11,900	\$11,925	657	\$13,300	\$13,325	574	\$14,700	\$14,725	384	\$16,100	\$16,125	244	\$17,500	\$17,525	107
\$11,925	\$11,950	664	\$13,325	\$13,350	574	\$14,725	\$14,750	382	\$16,125	\$16,150	242	\$17,525	\$17,550	104
\$11,950	\$11,975	662	\$13,350	\$13,375	572	\$14,750	\$14,775	382	\$16,150	\$16,175	242	\$17,550	\$17,575	102
\$11,975	\$12,000	659	\$13,375	\$13,400	571	\$14,775	\$14,800	379	\$16,175	\$16,200	239	\$17,575	\$17,600	99
\$12,000	\$12,025	657	\$13,400	\$13,425	571	\$14,800	\$14,825	377	\$16,200	\$16,225	237	\$17,600	\$17,625	97
\$12,025	\$12,050	654	\$13,425	\$13,450	574	\$14,825	\$14,850	374	\$16,225	\$16,250	234	\$17,625	\$17,650	94
\$12,050	\$12,075	649	\$13,450	\$13,475	570	\$14,850	\$14,875	365	\$16,250	\$16,275	232	\$17,650	\$17,675	91
\$12,075	\$12,100	645	\$13,475	\$13,500	569	\$14,875	\$14,900	365	\$16,275	\$16,300	226	\$17,675	\$17,700	88
\$12,100	\$12,125	647	\$13,500	\$13,525	567	\$14,900	\$14,925	363	\$16,300	\$16,325	224	\$17,700	\$17,725	87
\$12,125	\$12,150	644	\$13,525	\$13,550	564	\$14,925	\$14,950	364	\$16,325	\$16,350	224	\$17,725	\$17,750	84
\$12,150	\$12,175	642	\$13,550	\$13,575	562	\$14,950	\$14,975	362	\$16,350	\$16,375	222	\$17,750	\$17,775	82
\$12,175	\$12,200	639	\$13,575	\$13,600	499	\$14,975	\$15,000	359	\$16,375	\$16,400	219	\$17,775	\$17,800	79
\$12,200	\$12,225	637	\$13,600	\$13,625	497	\$15,000	\$15,025	357	\$16,400	\$16,425	217	\$17,800	\$17,825	77
\$12,225	\$12,250	634	\$13,625	\$13,650	494	\$15,025	\$15,050	354	\$16,425	\$16,450	214	\$17,825	\$17,850	74
\$12,250	\$12,275	631	\$13,650	\$13,675	492	\$15,050	\$15,075	353	\$16,450	\$16,475	212	\$17,850	\$17,875	71
\$12,275	\$12,300	629	\$13,675	\$13,700	489	\$15,075	\$15,100	348	\$16,475	\$16,500	209	\$17,875	\$17,900	69
\$12,300	\$12,325	627	\$13,700	\$13,725	487	\$15,100	\$15,125	344	\$16,500	\$16,525	207	\$17,900	\$17,925	67
\$12,325	\$12,350	624	\$13,725	\$13,750	484	\$15,125	\$15,150	344	\$16,525	\$16,550	204	\$17,925	\$17,950	64
\$12,350	\$12,375	622	\$13,750	\$13,775	482	\$15,150	\$15,175	342	\$16,550	\$16,575	202	\$17,950	\$17,975	62
\$12,375	\$12,400	619	\$13,775	\$13,800	479	\$15,175	\$15,200	339	\$16,575	\$16,600	199	\$17,975	\$18,000	59
\$12,400	\$12,425	617	\$13,800	\$13,825	477	\$15,200	\$15,225	337	\$16,600	\$16,625	197	\$18,000	\$18,025	57
\$12,425	\$12,450	614	\$13,825	\$13,850	474	\$15,225	\$15,250	334	\$16,625	\$16,650	194	\$18,025	\$18,050	54
\$12,450	\$12,475	611	\$13,850	\$13,875	472	\$15,250	\$15,275	333	\$16,650	\$16,675	192	\$18,050	\$18,075	52
\$12,475	\$12,500	609	\$13,875	\$13,900	469	\$15,275	\$15,300	325	\$16,675	\$16,700	186	\$18,075	\$18,100	49
\$12,500	\$12,525	607	\$13,900	\$13,925	467	\$15,300	\$15,325	322	\$16,700	\$16,725	184	\$18,100	\$18,125	47
\$12,525	\$12,550	604	\$13,925	\$13,950	464	\$15,325	\$15,350	324	\$16,725	\$16,750	182	\$18,125	\$18,150	44
\$12,550	\$12,575	602	\$13,950	\$13,975	462	\$15,350	\$15,375	322	\$16,750	\$16,775	182	\$18,150	\$18,175	42
\$12,575	\$12,600	599	\$13,975	\$14,000	459	\$15,375	\$15,400	319	\$16,775	\$16,800	179	\$18,175	\$18,200	39
\$12,600	\$12,625	597	\$14,000	\$14,025	457	\$15,400	\$15,425	317	\$16,800	\$16,825	177	\$18,200	\$18,225	37
\$12,625	\$12,650	594	\$14,025	\$14,050	454	\$15,425	\$15,450	314	\$16,825	\$16,850	174	\$18,225	\$18,250	34
\$12,650	\$12,675	592	\$14,050	\$14,075	452	\$15,450	\$15,475	312	\$16,850	\$16,875	172	\$18,250	\$18,275	32
\$12,675	\$12,700	589	\$14,075	\$14,100	449	\$15,475	\$15,500	305	\$16,875	\$16,900	166	\$18,275	\$18,300	29
\$12,700	\$12,725	587	\$14,100	\$14,125	447	\$15,500	\$15,525	307	\$16,900	\$16,925	167	\$18,300	\$18,325	27
\$12,725	\$12,750	584	\$14,125	\$14,150	444	\$15,525	\$15,550	304	\$16,925	\$16,950	164	\$18,325	\$18,350	24
\$12,750	\$12,775	582	\$14,150	\$14,175	442	\$15,550	\$15,575	302	\$16,950	\$16,975	162	\$18,350	\$18,375	22
\$12,775	\$12,800	579	\$14,175	\$14,200	439	\$15,575	\$15,600	299	\$16,975	\$17,000	159	\$18,375	\$18,400	19
\$12,800	\$12,825	577	\$14,200	\$14,225	437	\$15,600	\$15,625	297	\$17,000	\$17,025	157	\$18,400	\$18,425	17
\$12,825	\$12,850	574	\$14,225	\$14,250	434	\$15,625	\$15,650	294	\$17,025	\$17,050	154	\$18,425	\$18,450	14
\$12,850	\$12,875	572	\$14,250	\$14,275	432	\$15,650	\$15,675	293	\$17,050	\$17,075	152	\$18,450	\$18,475	12
\$12,875	\$12,900	569	\$14,275	\$14,300	429	\$15,675	\$15,700	289	\$17,075	\$17,100	149	\$18,475	\$18,500	9
\$12,900	\$12,925	567	\$14,300	\$14,325	427	\$15,700	\$15,725	287	\$17,100	\$17,125	147	\$18,500	\$18,525	7
\$12,925	\$12,950	564	\$14,325	\$14,350	424	\$15,725	\$15,750	284	\$17,125	\$17,150	144	\$18,525	\$18,550	4
\$12,950	\$12,975	562	\$14,350	\$14,375	422	\$15,750	\$15,775	282	\$17,150	\$17,175	142	\$18,550	\$18,575	2
\$12,975	\$13,000	559	\$14,375	\$14,400	419	\$15,775	\$15,800	279	\$17,175	\$17,200	139	\$18,575	\$18,600	1

If line 3 or 4 of the worksheet is—

\$18,576 or more—you cannot take the credit

What Is Tele-Tax?

Automated Refund Information is available so you can check the status of your refund.

Recorded Tax Information has about 140 topics of tax information that answer many Federal tax questions. You can hear up to three topics on each call you make.

To Call Tele-Tax Toll-Free, Use Only the Numbers Listed Below for Your Area.

Long-distance charges apply if you call from outside the local dialing area of the numbers listed below. Do not dial 1-800 when using a local number. A complete list of these topics is on the next page.

How Do I Use Tele-Tax?

Automated Refund Information

- 1 Have a copy of your tax return available since you will need to know the first social security number shown on your return, the filing status, and the exact amount of your refund.
- 2 Call the appropriate phone number listed below.
- 3 Follow the recorded instructions.
- 4 ● Push-button (tone signaling) service is available Monday through Friday from 7:00 A.M. to 11:30 P.M. (Hours may vary in your area.)

- Rotary (dial)/push-button (pulse dial) service is available Monday through Friday during regular office hours. (In Hawaii, from 6:30 A.M. to 1:00 P.M.)

Recorded Tax Information

- 1 Select, by number, the topic you want to hear.
- 2 Have paper and pencil handy to take notes.
- 3 Call the appropriate phone number listed below.
- 4 ● If you have a push-button (tone signaling) phone, immediately follow the recorded instructions, or
 - if you have a rotary (dial) or push-button (pulse dial) phone, wait for further recorded instructions.
- 5 ● Push-button (tone signaling) service is available 24 hours a day, 7 days a week.
 - Rotary (dial)/push-button (pulse dial) service is available Monday through Friday during regular office hours. (In Hawaii, from 6:30 A.M. to 1:00 P.M.)

INDIANA Indianapolis 631 (011) Elsewhere, 1-800-554-4477	NORTH CAROLINA Charlotte 631 (011) Elsewhere, 1-800-554-4477
IOWA 1-800-554-4477	OHIO Cincinnati 421-0329 Elsewhere, 1-800-554-4477
KANSAS 1-800-554-4477	OKLAHOMA 1-800-554-4477
KENTUCKY 1-800-554-4477	LOUISIANA 1-800-554-4477
MAINE 1-800-554-4477	MASSACHUSETTS Boston 523-8602 Elsewhere, 1-800-554-4477
MARYLAND 1-800-554-4477	MICHIGAN Detroit 961-4282 Elsewhere, 1-800-554-4477
MISSISSIPPI 1-800-554-4477	MISSOURI St. Louis 241-4700 Elsewhere, 1-800-554-4477
NEBRASKA Omaha 221-3324 Elsewhere, 1-800-554-4477	NEVADA 1-800-554-4477
NEW HAMPSHIRE 1-800-554-4477	NEW JERSEY Atlantic City 353-9579 Newark 624-1223 Elsewhere, 1-800-554-4477
NEW MEXICO 1-800-554-4477	NEW YORK Brooklyn 858-4461 Buffalo 856-9320 Mannhattan 406-4080 Queens 858-4461 Saratoga Springs 858-4461 Schenectady 858-4461 Syracuse 858-4461 Yonkers 858-4461
NEW YORK 1-800-554-4477	NEW YORK Brooklyn 858-4461 Buffalo 856-9320 Mannhattan 406-4080 Queens 858-4461 Saratoga Springs 858-4461 Schenectady 858-4461 Syracuse 858-4461 Yonkers 858-4461
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NEW YORK 1-800-554-4477	NEW YORK Brooklyn 858-4461 Buffalo 856-9320 Mannhattan 406-4080 Queens 858-4461

Tele-Tax Topic Numbers and Subjects

Topic No.	Subject
301	Itemized Deductions
302	Medical and dental expenses
303	Taxes
304	Moving expenses
305	Charitable deduction
306	Contributions
307	Casualty losses
308	Miscellaneous expenses
309	Business use of home
310	Business travel expenses
311	Business entertainment expenses
312	Business travel expenses
313	Educational expenses
351	Tax Computation
352	Self-employment tax
353	Five year averaging for lump sum distributions
354	Gift tax
355	Estate tax
356	Standard deduction
401	Child care credit
402	Elder care credit
403	Credit for the elderly or the disabled
451	General Information
452	Substitute tax forms
453	Highlights of 1988 tax changes
454	Reliefs—How long they should take
455	Copy of your tax return—How to get one
456	Tax shelter registration
457	Extensions for time to file your tax return
458	Form W-2—What to do if you received
459	Penalty for underpayment of estimated tax
460	Recordkeeping
461	How to choose a tax preparer
462	How to pay your tax—Spousal support and other Federal obligations
463	Withholding on interest and dividends
464	Highway use tax
465	Checklist: Common errors when
466	Withholding on pensions and annuities
467	Foreign currency transactions
501	IRS Notices and Letters
502	Notices—What to do
503	Second request for information about your tax form
504	Notice of intent to levy
505	CP2000
506	IRS notices and bills—Penalty and interest charges
551	Best of Asset, Depreciation, and Amortization
552	Sale of your home—General
553	Sale of your home—How to report gain, age 55 and over
554	Individual retirement arrangements (IRAs)
555	Depreciation
556	Installment sales
557	Tax shelters
558	Tax shelters
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Call IRS With Your Tax Question

If the instructions to the tax forms and our free tax publications have not answered your question, please call our TOLL-FREE "Toll-Free" is a telephone call for which you pay only local charges.

CHOOSING THE RIGHT NUMBER: Use only the number listed below for your area. Use a local city number only if it is not a long distance call for your area. Use a local city number only if it is not a long distance call for your area.

BEFORE YOU CALL: Remember that good communication is a two-way process. IRS representatives care about the quality of the service we provide to you, our customer. You can help us provide accurate, complete answers to your tax questions by having the following information available:

1. The tax form, schedule, or notice to which your question relates.
2. The facts about your particular situation (the answer to the same question often varies from one taxpayer to another because of differences in their age, income, whether they can be claimed as a dependent, etc.).
3. The name of any IRS publication or other source of information that you used to look for the answer.

BEFORE YOU HANG UP: If you do not fully understand the answer you receive, or you feel our representative may not fully understand your question, our representative needs to know this. He or she will be happy to take the additional time required to be sure we have answered your question fully and in the manner which is most helpful to you.

By law, you are responsible for paying your fair share of Federal income tax. If we should make an error in answering your question, you are still responsible for the payment of the correct tax. Should this occur, however, you will not be charged any penalty. To make sure that IRS representatives give accurate and courteous answers, a second IRS representative sometimes listens in on telephone calls. No record is kept of any taxpayer's identity.

State	Area	Phone Number
ALABAMA	1 800 424 1040	488 3100
ALASKA	1 800 424 1040	561 7484
ARIZONA	1 800 424 1040	257 1233
ARKANSAS	1 800 424 1040	541 1040
CALIFORNIA	1 800 424 1040	488 3100
COLORADO	1 800 424 1040	237 0800
CONNECTICUT	1 800 424 1040	283 0523
DELAWARE	1 800 424 1040	1 800 424 1040
DISTRICT OF COLUMBIA	1 800 424 1040	488 3100
FLORIDA	1 800 424 1040	354 1760
GEORGIA	1 800 424 1040	522 0050
HAWAII	1 800 424 1040	541 1040
ILLINOIS	1 800 424 1040	435 1040
INDIANA	1 800 424 1040	226 5477
IOWA	1 800 424 1040	283 0523
KANSAS	1 800 424 1040	1 800 424 1040
KENTUCKY	1 800 424 1040	488 3100
LOUISIANA	1 800 424 1040	354 1760
MAINE	1 800 424 1040	522 0050
MARYLAND	1 800 424 1040	488 3100
MASSACHUSETTS	1 800 424 1040	237 0800
MICHIGAN	1 800 424 1040	237 0800
MINNESOTA	1 800 424 1040	283 0523
MISSISSIPPI	1 800 424 1040	1 800 424 1040
MISSOURI	1 800 424 1040	342 1040
MONTANA	1 800 424 1040	1 800 424 1040
NEBRASKA	1 800 424 1040	488 3100
NEVADA	1 800 424 1040	257 1233
NEW HAMPSHIRE	1 800 424 1040	257 1233
NEW JERSEY	1 800 424 1040	257 1233
NEW MEXICO	1 800 424 1040	257 1233
NEW YORK	1 800 424 1040	257 1233
NORTH CAROLINA	1 800 424 1040	257 1233
NORTH DAKOTA	1 800 424 1040	257 1233
OHIO	1 800 424 1040	257 1233
OKLAHOMA	1 800 424 1040	257 1233
OREGON	1 800 424 1040	257 1233
PENNSYLVANIA	1 800 424 1040	257 1233
PUERTO RICO	1 800 424 1040	257 1233
RHODE ISLAND	1 800 424 1040	257 1233
SOUTH CAROLINA	1 800 424 1040	257 1233
SOUTH DAKOTA	1 800 424 1040	257 1233
TENNESSEE	1 800 424 1040	257 1233
TEXAS	1 800 424 1040	257 1233
UTAH	1 800 424 1040	257 1233
VERMONT	1 800 424 1040	257 1233
VIRGINIA	1 800 424 1040	257 1233
WASHINGTON	1 800 424 1040	257 1233
WEST VIRGINIA	1 800 424 1040	257 1233
WISCONSIN	1 800 424 1040	257 1233
WYOMING	1 800 424 1040	257 1233

Need Additional Forms or Publications?

- If you do not have any tax questions and you only need tax forms and publications, you can—
- Visit your local bank or post office for Forms 1040, 1040EZ, and Schedules A&B and their related instructions
- Visit your local library that stocks a wider variety of forms and publications
- Use the handy order blank on the next to the last page of the instructions. You should receive the items you order within 2 weeks of the time you mail your request
- Call our toll-free "Forms Only" number (1-800-424-FORM (3676)). The hours of operation during the filing season are 8:00 A.M. to 8:00 P.M. (Monday-Friday) and 9:00 A.M. to 3:00 P.M. (Saturdays). You should receive your order within 7 to 10 work days after you call

Notes

How To Get Forms

Generally, we mail forms and schedules directly to you based on what seems to be right for you. Schedules and forms you may need are listed below. Also see list of related publications.

You can order the following items from IRS or get them at many participating banks, post offices, or libraries:

Form 1040, U.S. Individual Income Tax Return
Instructions for Form 1040

Form 1040A

Instructions for Form 1040A

Form 1040EZ

Instructions for Form 1040EZ

Schedule A for itemized deductions

Schedule B for interest income of more than \$400, for dividends and other distributions on stock of more than \$400, and for answering the Foreign Accounts or Foreign Trusts questions

You can photocopy the following items (as well as those listed above) at many participating libraries or order them from IRS:

Schedule C, Profit or Loss From Business

Schedule D, Capital Gains and Losses

Schedule E, Supplemental Income Schedule

Schedule F, Farm Income and Expenses

Schedule R, Credit for the Elderly or the Disabled

Schedule SE, Social Security Self-Employment Tax

Form 1040-ES, Estimated Tax for Individuals

Form 2106, Employee Business Expenses

Form 2119, Sale of Your Home

Form 2210, Underpayment of Estimated Tax by Individuals and Fiduciaries

Form 2441, Credit for Child and Dependent Care Expenses

Form 3468, Computation of Investment Credit

Form 3903, Moving Expenses

Form 4562, Depreciation and Amortization

Form 4868, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return

Form 8283, Nontax Charitable Contributions

Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents

Form 8582, Passive Activity Loss Limitations

Form 8606, Nondeductible IRA Contributions, IRA Basis, and Nontaxable IRA Distributions

Form 8615, Computation of Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,000

How To Get Publications

The following publications can be ordered from IRS or you can read or photocopy them at many participating libraries:

1 Your Rights as a Taxpayer

17 Your Federal Income Tax

463 Travel, Entertainment, and Gift Expenses

501 Exemptions, Standard Deduction, and Filing Information

502 Medical and Dental Expenses

504 Tax Information for Divorced or Separated Individuals

505 Tax Withholding and Estimated Tax

508 Educational Expenses

521 Moving Expenses

523 Tax Information on Selling Your Home

524 Credit for the Elderly or the Disabled

525 Taxable and Nontaxable Income

527 Residential Rental Property

529 Miscellaneous Deductions

545 Interest Expense

553 Highlights of 1988 Tax Changes

554 Tax Information for Older Americans

910 Guide to Free Tax Services

917 Business Use of a Car

929 Tax Rules for Children and Dependents

929 Tax Rules for Children and Dependents

Other publications and forms referred to in the instructions are also available without cost from the "Forms Distribution Center" for your state. See Publication 910 for a complete list of available publications.

Form 1040A		Page 2	
Step 1	Label Use IRS label. Otherwise, print on type.	14 Enter the amount from line 13.	14
	15a Check if: <input type="checkbox"/> You were 65 or older <input type="checkbox"/> Blind <input type="checkbox"/> Enter number of boxes checked 15a b If someone (such as your parent) can claim you as a dependent, check here 15b c If you are married filing separately and your spouse files Form 1040 and itemizes deductions, see page 28 and check here. 15c		
Step 2	Check your filing status (Check only one)	16 Standard deduction. See pages 28-29 for the amount to enter. 17 Subtract line 16 from line 14. Enter the result. (If line 16 is more than line 14, enter -0-.)	16 17
	18 Multiply \$1,950 by the total number of exemptions claimed on line 6e. 19 Subtract line 18 from line 17. Enter the result. (If line 18 is more than line 17, enter -0-.) This is your taxable income .		18 19
Step 3	Figure your exemptions (See page 16 of instructions)	20 Find the tax on the amount on line 19. Check if from: <input type="checkbox"/> Tax Table (pages 37-42) or <input type="checkbox"/> Form 8615 21 Credit for child and dependent care expenses. Complete and attach Schedule 1, Part 1. 22 Subtract line 21 from line 20. Enter the result. (If line 21 is more than line 20, enter -0-.) This is your total tax . 23a Total Federal income tax withheld—from Box 9 of your W-2 form(s). (If any is from Form(s) 1099, check here 23a) b Earned income credit, from the worksheet on page 35 of the instructions. Also see page 34. 23b	20 21 22 23a 23b
Step 4	Figure your total income Attach check or money order here	24 Add lines 23a and 23b. Enter the total. These are your total payments . 24 25 If line 24 is more than line 22, subtract line 22 from line 24. Enter the result. This is the amount of your refund . 26 If line 22 is more than line 24, subtract line 24 from line 22. Enter the result. This is the amount you owe . Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number, daytime phone number, and "1988 Form 1040A" on it.	24 25 26
Step 5	Figure your adjusted gross income	27 Wages, salaries, tips, etc. This should be shown in Box 10 of your W-2 form(s). (Attach Form(s) W-2.) 28a Taxable interest income (see page 22). (If over \$400, also complete and attach Schedule 1, Part II.) b Tax-exempt interest income (see page 23). (DO NOT include on line 8a.) 28b 29 Dividends. (If over \$400, also complete and attach Schedule 1, Part III.) 30 Unemployment compensation (insurance) from Form(s) 1099-G. 31 Add lines 27, 28a, 28b, 29, and 30. Enter the total. This is your total income . 31 32a Your IRA deduction from applicable worksheet. b Spouse's IRA deduction from applicable worksheet. 32b 33 Add lines 31a and 32b. Enter the total. These are your total adjustments . 34 Subtract line 33 from line 31. Enter the result. This is your adjusted gross income . (If this line is less than \$18,576 and a child lived with you, see "Earned Income Credit" (line 23b) on page 34 of instructions.) 34	27 28a 28b 29 30 31 32a 32b 33 34
Step 6	Figure your standard deduction.	35 If line 34 is more than line 22, subtract line 22 from line 34. Enter the result. This is the amount of your refund . 36 If line 22 is more than line 34, subtract line 34 from line 22. Enter the result. This is the amount you owe . Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number, daytime phone number, and "1988 Form 1040A" on it.	35 36
Step 7	Figure your tax, credits, and payments (including advance EIC payments)	37 If line 36 is more than line 35, subtract line 35 from line 36. Enter the result. This is the amount of your refund . 38 If line 35 is more than line 37, subtract line 37 from line 35. Enter the result. This is the amount you owe . Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number, daytime phone number, and "1988 Form 1040A" on it.	37 38
Step 8	Figure your refund or amount you owe	39 If line 38 is more than line 37, subtract line 37 from line 38. Enter the result. This is the amount of your refund . 40 If line 37 is more than line 39, subtract line 39 from line 37. Enter the result. This is the amount you owe . Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number, daytime phone number, and "1988 Form 1040A" on it.	39 40
Step 9	Sign your return	41 Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge. Your signature _____ Date _____ Spouse's signature (if joint return, both must sign) _____ Date _____ Preparer's signature _____ Date _____ Preparer's name (or firm's name for firms or self-employed) _____ Address and ZIP code _____ Check if self-employed <input type="checkbox"/>	41

Form 1040A		Page 1	
U.S. Individual Income Tax Return (10)			
Step 1 Label Use IRS label. Otherwise, print on type.			
1 Your first name and initial of joint return. (See page 1 of instructions.) 2 Your social security number. 3 Spouse's social security number. 4 For Privacy Act and Paperwork Reduction Act Notice, see page 3. 5 City, town or post office, state and ZIP code.			
Presidential Election Campaign Fund Do you want \$1 to go to this fund? <input type="checkbox"/> Yes <input type="checkbox"/> No If joint return, does your spouse want \$1 to go to this fund? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Step 2 Check your filing status (Check only one)			
1 Single (See if you can use Form 1040EZ.) 2 Married filing joint return (even if only one had income) 3 Married filing separate return. Enter spouse's social security number above and spouse's full name here. 4 Head of household (with qualifying person). (See page 15.) If the qualifying person is your child but not your dependent, enter this child's name here. 5 Qualifying widow(er) with dependent child (year spouse died 19). (See page 16.)			
Step 3 Figure your exemptions (See page 16 of instructions)			
6a Yourself. If someone (such as your parent) can claim you as a dependent on his or her tax return, do not check box 6a. But be sure to check the box on line 15b on page 2. 6b Spouse. c Dependents: 1. Name (first, initial, and last name) 2. Check if under age 19 3. If age 19 or older, enter dependent's social security number 4. Relationship 5. No. of months lived with you during 1988 (born in 1988) 6. No. of months lived with you during 1988 (born in 1988) 7. No. of months lived with you during 1988 (born in 1988) 8. No. of months lived with you during 1988 (born in 1988) 9. No. of months lived with you during 1988 (born in 1988) 10. No. of months lived with you during 1988 (born in 1988) 11. No. of months lived with you during 1988 (born in 1988) 12. No. of months lived with you during 1988 (born in 1988) 13. No. of months lived with you during 1988 (born in 1988) 14. No. of months lived with you during 1988 (born in 1988) 15. 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Step 4 Figure your total income Attach check or money order here			
5 Wages, salaries, tips, etc. This should be shown in Box 10 of your W-2 form(s). (Attach Form(s) W-2.) 6 Taxable interest income (see page 22). (If over \$400, also complete and attach Schedule 1, Part II.) 7 Tax-exempt interest income (see page 23). (DO NOT include on line 6a.) 8 Dividends. (If over \$400, also complete and attach Schedule 1, Part III.) 9 Unemployment compensation (insurance) from Form(s) 1099-G. 10 Add lines 5, 6, 7, 8, 9, and 10. Enter the total. This is your total income . 11 12a Your IRA deduction from applicable worksheet. b Spouse's IRA deduction from applicable worksheet. 12b 13 Add lines 11a and 12b. Enter the total. These are your total adjustments . 14 Subtract line 13 from line 11. Enter the result. This is your adjusted gross income . (If this line is less than \$18,576 and a child lived with you, see "Earned Income Credit" (line 23b) on page 34 of instructions.) 14			

Form 1040EZ		1988	
Name & address		Please print your numbers like this:	
<p>Use the IRS mailing label. If you don't have one, please print.</p> <p>Print your name above (line, initial, last)</p> <p>Print your social security number</p> <p>0 1 2 3 4 5 6 7 8 9</p>		<p>Your social security number</p> <p>0 1 2 3 4 5 6 7 8 9</p>	
<p>Department of the Treasury - Internal Revenue Service</p> <p>Instructions for Form 1040EZ</p> <p>Use the IRS mailing label. If you don't have one, please print.</p> <p>Please read the instructions on the back of this form. Also, see page 13 of the booklet for a helpful checklist.</p> <p>Presidential Election Campaign Fund</p> <p>Do you want \$1 to go to this fund?</p> <p>1 Total wages, salaries, and tips. This should be shown in Box 10 of your W-2 form(s). (Attach your W-2 form(s).)</p> <p>2 Taxable interest income of \$400 or less. If the total is more than \$400, you cannot use Form 1040EZ.</p> <p>3 Add line 1 and line 2. This is your adjusted gross income.</p> <p>4 <input type="checkbox"/> Yes. Do worksheet on back: enter amount from line 2 here. <input type="checkbox"/> No. Enter 3,000 as your standard deduction.</p> <p>5 Subtract line 4 from line 3. If line 4 is larger than line 3, enter 0.</p> <p>6 If you checked the "Yes" box on line 4, enter 0. If you checked the "No" box on line 4, enter 1,950. This is your personal exemption.</p> <p>7 Subtract line 6 from line 5. If line 6 is larger than line 5, enter 0. This is your taxable income.</p> <p>8 Enter your Federal income tax withheld from Box 9 of your W-2 form(s).</p> <p>9 Use the single column in the tax table on pages 37-42 of the Form 1040A/1040EZ booklet to find the tax on the amount shown on line 7 above. Enter the amount of tax.</p> <p>10 If line 8 is larger than line 9, subtract line 9 from line 8. Enter the amount of your refund.</p> <p>11 If line 9 is larger than line 8, subtract line 8 from line 9. Enter the amount you owe. Attach check or money order for the full amount, payable to "Internal Revenue Service."</p> <p>Sign your return</p> <p>I have read this return. Under penalties of perjury, I declare that to the best of my knowledge and belief, the return is true, correct, and complete.</p> <p>Your signature _____ Date _____</p>			

For Privacy Act and Paperwork Reduction Act Notice, see page 3.

Form 1040EZ (1988)

1988 Instructions for Form 1040EZ**Use this form if:**

- Your filing status is single.
- You are under 65 and not blind.
- You had only wages, salaries, tips, and taxable scholarships or fellowships, and your taxable interest income was \$400 or less. **Caution:** If you earned tips (including allocated tips) that are not included in Box 11 of your W-2, you may not be able to use Form 1040EZ. See page 22 in the 1040A and 1040EZ instruction booklet.
- If you can't use this form, use Form 1040A or Form 1040. See pages 10 through 12 in the booklet.

Completing your return

Please print your numbers inside the boxes. Do not type your numbers. Do not use dollar signs. You may round off cents to whole dollars. To do so, drop amounts under .50 cents and increase amounts that are .50 cents or more. For example, \$129.50 becomes \$129 and \$129.50 becomes \$130. If you round off, do so for all amounts. But if you have to add two or more amounts to figure the amount to enter on a line, include cents when adding and round off only the total.

Name & address

Please use the mailing label we sent you. It can help speed your refund. After you complete your return, print the label in the name and address area. Do not put any errors. Print the right information on the label (including zip code). If you don't have a label, print your name, address, and social security number. If your post office does not deliver mail to your home and you have a P.O. box, show your P.O. box number instead of your home address.

Presidential campaign fund

Congress set up this fund to help pay for Presidential election costs. If you want \$1 of your tax to go to this fund, check the "Yes" box. If you check "Yes," your tax or refund will not change.

Report your income

Line 1. If you don't get your W-2 by February 15, contact your local IRS office. You must still report your wages, salaries, and tips even if you don't get a W-2 from your employer. Students, if you received a scholarship or fellowship, see page 22 in the booklet.

Line 2. Banks, savings and loans, credit unions, etc., should send you a Form 1099-INT showing the amount of taxable interest paid to you. You must report all your taxable interest even if you don't get a Form 1099-INT. If you have tax-exempt interest, such as on municipal bonds, write "151" in the space to the left of line 2. After "151," show the amount of your tax-exempt interest. Do not add tax-exempt interest in the total on line 2.

Line 4. If you checked the "Yes" box because your parents or someone else can claim you as a dependent on their tax return, fill in this worksheet. If you don't know if someone can claim you as a dependent, see page 17 in the booklet.

Standard deduction for dependent who checked "Yes" on line 4	A. Enter the amount from line 1 on front.	A. <u>500.00</u>
	B. Minimum amount.	B. <u>500.00</u>
	C. Compare the amounts on lines A and B above. Enter the LARGER of the two amounts here.	C. <u>500.00</u>
	D. Maximum amount.	D. <u>3,000.00</u>
	E. Compare the amounts on lines C and D above. Enter the SMALLER of the two amounts here and on line 4 on front.	E. <u>500.00</u>

Figure your tax

Line 8. If you received a Form 1099-INT showing income tax withheld (backup withholding), include the amount in the total on line 8. To the left of line 8, write "Form 1099." If you had two or more employers and had total wages of over \$45,000, see page 33.

If you want IRS to figure your tax, skip lines 9 through 11. Then sign and date your return. If you paid too much tax, we will send you a refund. If you didn't pay enough tax, we will send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date or by April 17, 1989, whichever is later. If you want to figure your own tax, complete the rest of your return.

Amount you owe

Line 11. If you owe tax, attach your check or money order for the full amount. Write your social security number, daytime phone number, and "1988 Form 1040EZ" on your payment.

Sign your return

You must sign and date your return. If you pay someone to prepare your return, that person must sign it and show other information. See page 36 in the booklet.

Mailing your return

Mail your return by **April 17, 1989**. Use the envelope that came with your booklet. If you don't have that envelope, see page 45 for the address.

Schedules A&B (Form 1040) 1988 OMB No. 1545-0074 Page 2
 Name(s) as shown on Form 1040 (Do not enter name and social security number if shown on other side.) Your social security number

Schedule B—Interest and Dividend Income

Attachment
Sequence No. 08

Part I Interest Income
 If you received more than \$400 in taxable interest income, you must complete Part I and Part III and list ALL interest received. You must report all interest on Form 1040, even if you are not required to complete Part I and Part III. If you received, as a nominee, interest that actually belongs to another person, or you received or paid accrued interest on securities transferred between interest payment dates, see page 27.

	Interest Income	
	1	Amount
1 Interest income from seller-financed mortgages (See instructions and list name of payer) ▶		
2 Other interest income (list name of payer) ▶		
Note: If you received a Form 1099-INT or Form 1099-DIV from a brokerage firm, list the firm's name as the payer and enter the dividend or interest shown on that form.		
3 Add the amounts on lines 1 and 2. Enter the total here and on Form 1040, line 8a ▶	3	

Part II Dividend Income
 If you received more than \$400 in gross dividends and/or other distributions on stock, complete Part II and Part III. If you received, as a nominee, dividends that actually belong to another person, see page 27.

	Dividend Income	
	4	Amount
4 Dividend income (list name of payer—include on this line capital gain distributions, non-taxable distributions, etc.) ▶		
Note: If you received a Form 1095-DIV from a brokerage firm, list the firm's name as the payer and enter the total dividends shown on that form.		
5 Add the amounts on line 4. Enter the total here	5	
6 Capital gain distributions. Enter here and on line 13, Schedule D ▶	6	
7 Non-taxable distributions (See Schedule D instructions for adjustment to basis.)	7	
8 Add the amounts on lines 6 and 7. Enter the total here	8	
9 Subtract line 8 from line 5. Enter the result here and on Form 1040, line 9 ▶	9	

*If you received capital gain distributions but do not need Schedule D to report any other gains or losses, enter your capital gain distributions on Form 1040, line 14.

Part III Foreign Accounts and Foreign Trusts
 If you received more than \$400 of interest or dividends, OR if you had a foreign account or were a grantor of, or a transferor to, a foreign trust, you must answer both questions in Part III.
 10 At any time during the tax year, did you have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? (See page 27 of the instructions for exceptions and filing requirements for Form TD F 90.22.1.)
 11 Were you the grantor of, or transferor to, a foreign trust which existed during the current tax year, whether or not you have any beneficial interest in it? If "Yes," you may have to file Form 3520, 3520-A, or 926.
 (See instructions on page 27.)

For Paperwork Reduction Act Notice, see Form 1040 instructions. Schedule B (Form 1040) 1988

SCHEDULES A&B (Form 1040) 1988 OMB No. 1545-0074 Page 2
 Name(s) as shown on Form 1040 (Do not enter name and social security number if shown on other side.) Your social security number

Schedule A—Itemized Deductions

Attachment
Sequence No. 07

▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).

	1988	
	1a	1b
1a Prescription medicines and drugs, insulin, doctors, dentists, nurses, hospitals, medical insurance premiums you paid, etc.		
b Other (list—include hearing aids, dentures, eyeglasses, transportation and lodging, etc.) ▶		
2 Add lines 1a and 1b, and enter the total here	2	
3 Multiply the amount on Form 1040, line 32, by 7.5% (DTS)	3	
4 Subtract line 3 from line 2. If zero or less, enter -0. Total medical and dental	4	
5 State and local income taxes	5	
6 Real estate taxes	6	
7 Other taxes (list—include personal property taxes) ▶	7	
8 Add the amounts on lines 5 through 7. Enter the total here	8	
Note: New rules apply to the home mortgage interest deduction. See instructions.		
9a Deductible home mortgage interest you paid to financial institutions (report deductible points on line 10)	9a	
b Deductible home mortgage interest you paid to individuals (show that person's name and address) ▶	9b	
10 Deductible points (See instructions for special rules.)	10	
11 Deductible investment interest (see page 24)	11	
12a Personal interest you paid (see page 24)	12a	
b Multiply the amount on line 12a by 40% (40). Enter the result	12b	
13 Add the amounts on lines 9a through 11, and 12b. Enter the total here	13	
14 Contributions by cash or check (If you gave \$3,000 or more to any one organization, show to whom you gave and how much you gave.) ▶	14	
15 Other than cash or check (You must attach Form 8283 (over \$500))	15	
16 Carryover from prior year	16	
17 Add the amounts on lines 14 through 16. Enter the total here	17	
18 Casualty or theft losses (attach Form 4684) (See page 26 of the instructions.) ▶	18	
19 Moving expenses (attach Form 3903 or 3903F) (See page 26 of the instructions.) ▶	19	
20 Unreimbursed employee expenses—job travel, union dues, job education, etc. (You MUST attach Form 2106 in some cases. See instructions.) ▶	20	
21 Other expenses (investment, tax preparation, safe deposit box, etc.) List type and amount ▶	21	
22 Add the amounts on lines 20 and 21. Enter the total	22	
23 Multiply the amount on Form 1040, line 32, by 2% (02). Enter the result here	23	
24 Subtract line 23 from line 22. Enter the result (if zero or less, enter zero)	24	
25 Other (from list on page 26 of instructions) Enter type and amount ▶	25	
26 Add the amounts on lines 4, 8, 13, 17, 18, 19, 24, and 25. Enter the total here. Then enter on Form 1040, line 34, the LARGER of this total or your standard deduction from page 17 of the instructions	26	

For Paperwork Reduction Act Notice, see Form 1040 instructions. Schedule A (Form 1040) 1988

Page 2

Schedule C (Form 1040) 1988

Part III Cost of Goods Sold and/or Operations (See Schedule C Instructions for Part III)

- Purchases at beginning of year (If different from last year's closing inventory, attach explanation.)
- Purchases less cost of items withdrawn for personal use
- Cost of labor (Do not include salary paid to yourself)
- Materials and supplies
- Other costs
- Add lines 1 through 5
- Less Inventory at end of year

Part IV Cost of Goods Sold and/or Operations. Subtract line 7 from line 6. Enter the result here and in Part I, line 2.

Locate the major business category that best describes your activity for example, Retail Trade, Services, etc. Within the major category, select the activity code that identifies (or most closely identifies) the business or profession that is the principal source of income from farming activities, you should file Schedule F (Form 1040), Farm Income and Expenses.)

Part V Code for Principal Business or Professional Activity

Code

Construction

Code

Code

Code

Code

Code

Code

Code

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Code

Code

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OMB No. 1545-0047

1988

Attachment

Schedule C (Form 1040) 09

SCHEDULE C (Form 1040)

Department of the Treasury

Internal Revenue Service (09)

Name of proprietor

Principal business or profession, including product or service (see instructions)

Social security number (SSN)

Principal business code (from Part IV)

Employer (ID number (not SSN))

Business name and address

Method(s) used to value closing inventory

(1) Cost (2) Lower of cost or market (3) Other (attach explanation)

Accounting method (1) Cash (2) Accrual (3) Other (specify) (4) Other (specify)

Was there any change in determining quantities, costs, or valuations between opening and closing inventory? (If "Yes," attach explanation)

Are you deducting expenses for business use of your home? (If "Yes," see instructions for limitations.)

Did you "materially participate" in the operation of this business during 1988? (If "No," see instructions for limitations on losses.)

If this schedule includes a loss, credit, deduction, income, or other tax benefit relating to a tax shelter required to be registered, check here

If you check this box, you MUST attach Form 8271.

Part I Income

1a Gross receipts or sales

b Less Returns and allowances

c Subtract line 1b from line 1a. Enter the result here

2 Cost of goods sold and/or operations (from Part III, line 8)

3 Subtract line 2 from line 1c and enter the gross profit here

4 Other income (including unreported profit tax credit or refund received in 1988)

5 Add lines 3 and 4. This is the gross income

Part II Deductions

6 Advertising

7 Bad debts from sales or services (see instructions)

8 Bank service charges

9 Car and truck expenses

10 Commissions

11 Depletion

12 Depreciation and section 179 deduction (not included in Part III)

13 Dues and publications

14 Employee benefit programs

15 Freight (not included in Part III)

16 Insurance

17 Interest

18 Mortgage (paid to banks, etc.)

19 Other

20 Laundry and cleaning

21 Legal and professional services

22 Office expense

23 Pension and profit-sharing plans

24 Rent on business property

25 Repairs

26 Supplies (not included in Part III)

27 Taxes

28 Travel, meals, and entertainment

29 Travel

30 Meals and entertainment

31 Enter 20% of line 29b subject to limitations (see instructions)

32 Subtract line 31c from line 29b

33 Utilities and telephone

34 Wages

35 Job credit

36 Other expenses (list type and amount)

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SCHEDULE O (Form 1040)	Capital Gains and Losses (And Reconciliation of Forms 1099-B) ▶ Attach to Form 1040 ▶ See instructions for Schedule O (Form 1040). For Paperwork Reduction Act Notice, see form 1040-Instructions.	OMB No. 1545-0074 1088 Attachment Sequence No. 12 Your social security number
Department of the Treasury Internal Revenue Service	Name(s) as shown on Form 1040	Page 2 Attachment Sequence No. 12 Your social security number
1 Report here the total sales of stocks, bonds, etc., reported for 1988 to you on Form(s) 1099-B or on equivalent substitute statement(s). If this amount differs from the total of lines 2b and 9b, column (d), attach a separate statement explaining the difference. See the instructions for line 1 for examples.		
Part II Short-Term Capital Gains and Losses—Assets Held One Year or Less if Acquired Before 1/1/88		
(a) Description of property (including date acquired or date sold (if "Co.")	(b) Date acquired (Mo./day/yr.)	(c) Sales price (See instructions)
(d) Cost or other basis (See instructions)	(e) Gain or loss (See instructions)	(f) Long-term gain or loss (See instructions)
(g) Net long-term gain or (loss) (See instructions)	(h) Total gain or loss (See instructions)	(i) Subtract (f) from (g)
2a Stocks, Bonds, and Other Securities (Include all Form 1099-B transactions. See instructions.)		
2b		
2b Total (add column (d))		
2c Other Transactions (Include Real Estate Transactions From Forms 1099-S)		
3 Short-term gain from sale or exchange of your home from Form 2119, line 8a or 14		
4 Short-term gain from installment sales from Form 6252, line 22 or 30		
5 Net short-term gain or (loss) from partnerships, S corporations, and fiduciaries		
6 Short-term capital loss carryover		
7 Add all of the transactions on lines 2a and 2c; and lines 3 through 6 in columns (f) and (g)		
Part III Long-Term Capital Gains and Losses—Assets Held More Than One Year (more than 6 months if acquired before 1/1/88)		
9a Stocks, Bonds, and Other Securities (Include all Form 1099-B transactions. See instructions.)		
9b		
9b Total (add column (d))		
9c Other Transactions (Include Real Estate Transactions From Forms 1099-S)		
10 Long-term gain from sale or exchange of your home from Form 2119, line 8a, 10, or 14		
11 Long-term gain from installment sales from Form 6252, line 22 or 30		
12 Net long-term gain or (loss) from partnerships, S corporations, and fiduciaries		
13 Capital gain distributions		
14 Enter gain from Form 4797, line 7 or 9		
15 Long-term capital loss carryover		
16 Add all of the transactions on lines 9a and 9c; and lines 10 through 15 in columns (f) and (g)		
17 Net long-term gain or (loss); combine columns (f) and (g) of line 16		
Part IV Summary of Parts I and II		
18 Combine lines 8 and 17, and enter the net gain or (loss) here. If result is a gain, also enter the gain on Form 1040, line 13		
19 If line 18 is a (loss), enter here and as a (loss) on Form 1040, line 13, the smaller of: a The (loss) on line 18, or b (\$3,000) or, if married filing a separate return, (\$1,500)		
Part V Computation of Capital Loss Carryovers From 1988 to 1989 (Complete this part if the loss on line 18 is more than the loss on line 19.)		
20 Enter the loss shown on line 8, if none, enter zero and skip lines 21 through 24		
21 Enter gain shown on line 17. If that line is blank or shows a loss, enter zero		
22 Subtract line 21 from line 20		
23 Enter the smaller of line 19 or 22		
24 Subtract line 23 from line 22. This is your short-term capital loss carryover from 1988 to 1989		
25 Enter loss from line 17, if none, enter zero and skip lines 26 through 29		
26 Enter gain shown on line 8, if that line is blank or shows a loss, enter zero		
27 Subtract line 26 from line 25		
28 Subtract line 23 from line 19. (Note: If you skipped lines 21 through 24, enter the amount from line 19.)		
29 Subtract line 28 from line 27. This is your long-term capital loss carryover from 1988 to 1989		
Part VI Complete This Part Only if You Elect Out of the Installment Method and Report a Note or Other Obligation at Less Than Full Face Value		
30 Check here if you elect out of the installment method		
31 Enter the face amount of the note or other obligation		
32 Enter the percentage of valuation of the note or other obligation		
Part VII Reconciliation of Forms 1099-B for Bartering Transactions (Complete this part if you received one or more Form(s) 1099-B or an equivalent substitute statement(s) reporting bartering income.)		
33 Form 1040, line 22		
34 Schedule C (Form 1040)		
35 Schedule D (Form 1040)		
36 Schedule E (Form 1040)		
37 Schedule F (Form 1040)		
38 Other (identify) (if not taxable, indicate reason—attach additional sheets if necessary) ▶		
39 Total (add lines 33 through 38)		
Note: The amount on line 39 should be the same as the total bartering income on all Forms 1099-B and equivalent statements received.		

SCHEDULE E
(Form 1040)

 Department of the Treasury
 Internal Revenue Service (IRS)

Supplemental Income Schedule
 (From rents, royalties, partnerships, estates, trusts, REMICs, etc.)

 Attach to Form 1040, Form 1041, or Form 1041-S.
 See instructions for Schedule E (Form 1040).

OMB No. 1545-0074

 1988
 Attachment
 Sequence No. 13

Your social security number

Part I Rental and Royalty Income or Loss *Caution: Your rental loss may be limited. See instructions.*

1 In the space provided below, show the kind and location of each rental property during the tax year?

	Yes	No	Yes	No
Property A				
Property B				
Property C				
Totals				

(Add columns A, B, and C)

4 Rents received

5 Royalties received

Rental and Royalty Expenses

6 Advertising

7 Auto and travel

8 Cleaning and maintenance

9 Commissions

10 Insurance

11 Legal and other professional fees

12 Mortgage interest paid to banks, etc. (see instructions)

13 Other interest

14 Repairs

15 Supplies

16 Taxes (Do not include windfall profit tax here. See Part V, line 40.)

17 Utilities

18 Wages and salaries

19 Other (list)

20 Total expenses other than depreciation and depletion. Add lines 6 through 19.

21 Depreciation expense (see instructions), or depletion (see Pub. 535)

22 Total. Add lines 20 and 21.

23 Income or (loss) from rental or royalty properties. Subtract line 22 from line 4 (rents) or 5 (royalties).

 24 Deductible rental loss. *Caution: Your rental loss on line 23 may be limited. See instructions to determine if you must file Form 8582, Passive Activity Loss Limitations.*

25 Profits. Add rental and royalty profits from line 23. Enter the total profits here.

26 Losses. Add rental and royalty losses from line 24. Enter the total (losses) here.

27 Combine amounts on lines 25 and 26. Enter the net profit or (loss) here.

28 Net farm rental profit or loss from Form 4835. (Also complete Part VI, line 43.)

29 Total rental or royalty income or (loss). Combine amounts on lines 27 and 28. Enter the total here. If Parts I, III, IV, and V do not apply to you, enter the amount from line 29 on Form 1040, line 18. Otherwise, include the amount from line 29 in line 42 of Schedule E.

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule E (Form 1040) 1988

 Schedule E (Form 1040) 1988
 Names as shown on return. (Do not enter name and social security number if shown on other side.)

Attachment Sequence No. 13

Page 2

Your social security number

Part II Income or Loss From Partnerships and S Corporations

If you report a loss from an at-risk activity, you must check either column (e) or (f) to describe your investment in the activity. See instructions. If you check column (f), you must attach Form 6198.

	(a) Name	(b) Enter P for partnership or S for S corporation	(c) Check if foreign partnership	(d) Enter partner's identification number	(e) At risk (f) Not at risk
A					
B					
C					
D					
E					

Passive Income and Loss

(g) Passive loss allowed from Form 8582

(h) Passive income from Schedule K-1

(i) Nonpassive loss from Schedule K-1

(j) Section 179 deduction (see instructions for limits)

(k) Nonpassive income from Schedule K-1

30a Totals

30b Totals

31 Add amounts in columns (h) and (k), line 30a. Enter total income here.

32 Add amounts in columns (g), (i), and (j), line 30b. Enter total here.

33 Total partnership and S corporation income or (loss). Combine amounts on lines 31 and 32. Enter the total here and include in line 42 below.

Part III Income or Loss From Estates and Trusts

(a) Name

(b) Employer identification number

A

B

C

Passive Income and Loss

(c) Passive deduction of loss allowed from Form 8582

(d) Passive income from Schedule K-1

(e) Deduction or loss from Schedule K-1

(f) Other income from Schedule K-1

A

B

C

34a Totals

34b Totals

35 Add amounts in columns (d) and (f), line 34a. Enter total income here.

36 Add amounts in columns (c) and (e), line 34b. Enter total here.

37 Total estate and trust income or (loss). Combine amounts on lines 35 and 36. Enter the total here and include in line 42 below.

Part IV Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)—Residual Holder

(a) Name

(b) Employer identification number

(c) Excess inclusion from Schedule Q, line 2c (see instructions)

(d) Taxable income (net loss) from Schedules Q, line 3b

(e) Income from Schedules Q

A

B

C

38 Combine amounts in columns (d) and (e) only. Enter the total here and include in line 42 below.

Part V Windfall Profit Tax Summary

39 Windfall profit tax credit or refund received in 1988 (see instructions)

40 Windfall profit tax withheld in 1988 (see instructions)

41 Combine amounts on lines 39 and 40. Enter the total here and include in line 42 below.

Part VI Summary

42 TOTAL income or (loss). Combine amounts on lines 29, 33, 37, 38, and 41. Enter the total here and include in line 42 below.

43 Farmers and fishermen. Enter your share of GROSS FARMING AND FISHING INCOME applicable to Parts I, II, and III (see instructions)

44

45

46

SCHEDULE F **(Form 1040)**

Department of the Treasury
Internal Revenue Service (01)

Farm Income and Expenses

► Attach to Form 1040, Form 1041, Form 1041S, or Form 1065.
► See Instructions for Schedule F (Form 1040).

OMB No. 1545-0074

1988

Attachment
Sequence No. 14

Social security number (SSN)

A Principal Product (Describe in one of two words your principal crop or activity for the current tax year.)

C Accounting Method
☐ Cash ☐ Accrual

B Agricultural Activity Code (from Part IV) **D** Employer ID number (Not SSN)

F Did you make an election in a prior year to include Commodity Credit Corporation loan proceeds as income in that year? ☐ Yes ☐ No

F Did you "materially participate" in the operation of this business during 1988? (If "No," see Instructions for limitations on losses.) ☐ Yes ☐ No

F Does not apply ☐ Yes ☐ No

Part I Farm Income—Cash Method—Complete Parts I and II (Accrual method taxpayers complete Parts II and III and line 12 of Part I).

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1 Sales of livestock and other items you bought for resale

2 Cost or other basis of livestock and other items you bought for resale

3 Subtract line 2 from line 1

4 Sales of livestock, produce, grains, and other products you raised

5a Total distributions received from cooperatives (from Form 1099 PATR)

5b Less: Nonincome items

6 Net distributions. Subtract line 5b from line 5a

7a Total agricultural program payments

7b Taxable amount

8a Commodity Credit Corporation (CCC) loans reported under election (see Instructions)

8b CCC loans forfeited or repaid with certificates

8c Taxable amount

9a Crop insurance proceeds received in 1988

9b Taxable amount

9c If election to defer to 1989 is attached, check here ☐ 9d Amount deferred from 1987

10 Custom hire (machine work) income

11 Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)

12 Gross income. Add amounts in the right column for lines 3 through 11. If accrual method taxpayer, enter the amount from Part III, line 55.

Part II Farm Deductions—Cash and Accrual Method (Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.)

13 Breeding fees

14 Chemicals

15 Conservation expenses (you must attach Form 8645)

16 Custom hire (machine work)

17 Depreciation and section 179 expense deduction (from Form 4562)

18 Employee benefit programs other than on line 26

19 Feed purchased

20 Fertilizers and lime

21 Freight, trucking

22 Gasoline, fuel, oil

23 Insurance

24 Interest

a Mortgage (paid to banks, etc.)

24b Other

36 Add amounts on lines 13 through 35e

37 Preproductive period expenses that are capitalized (see Instructions)

38 Subtract line 37 from line 36. These are your total deductions

39 Net farm profit or (loss). Subtract line 38 from line 12. If a profit, enter on Form 1040, line 19, and on Schedule SE, line 1. If a loss, you MUST go on to line 40. If a partner or partner in a partnership, see Instructions.)

40 If you have a loss, you MUST check the box that describes your investment in this activity (see Instructions).

40a ☐ All investment is at risk

40b ☐ Some investment is at risk

40c ☐ Some investment is not at risk

40d ☐ All investment is not at risk

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule F (Form 1040) 1988

Page 2

Part III Farm Income—Accrual Method Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include this livestock on line 50 below.

41 Sales of livestock, produce, grains, and other products during year

42a Total distributions received from cooperatives (from Form 1099 PATR)

42b Less: Nonincome items

43 Net distributions. Subtract line 42b from line 42a

44a Total agricultural program payments

44b Taxable amount

45a Commodity Credit Corporation (CCC) loans reported under election (see Instructions)

45b CCC loans forfeited or repaid with certificates

45c Taxable amount

46 Crop insurance proceeds

47 Custom hire (machine work) income

48 Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)

49 Total. Add amounts in the right column for lines 41 through 48

50 Inventory of livestock, produce, grains, and other products at beginning of year

51 Cost of livestock, produce, grains, and other products purchased during year

52 Add lines 50 and 51

53 Inventory of livestock, produce, grains, and other products at end of year

54 Cost of livestock, produce, grains, and other products sold. Subtract line 53 from line 52.*

55 Gross income. Subtract line 54 from line 49. Enter the result here and on Part I, line 12.

* If you use the unit livestock price method or the farm-price method of valuing inventory and the amount on line 53 is larger than the amount on line 52, subtract line 52 from line 53. Enter the result on line 54. Add lines 49 and 54. Enter the total on line 55.

Part IV Principal Agricultural Activity Codes

Select one of the following codes and write the 3-digit number on line B on page 1 of this schedule. (Note: If your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management services, use code 210. If you are a farmer, use code 1040. Profit or loss from business.)

211 Beekeeping

212 Beekeeping, except feedlots

215 Hogs, sheep, and goats

240 Dairy

250 Poultry and eggs, including chickens, ducks, pigeons, quail, etc.

260 General livestock, not specializing in any one livestock category

270 Animal specialty, including fur-bearing animals, pets, horses, etc.

280 Animal aquaculture, including fish, shellfish, mollusks, frogs, etc., produced within confined space

290 Forest products, including forest nurseries and seed gathering, extraction of pine gum, and gathering of forest products

300 Agricultural production, not specified

120 Field crop, including grains and nongrains such as cotton, peanuts, feed corn, wheat, tobacco, Irish potatoes, etc.

160 Vegetables and melons, garden-type vegetables and melons such as sweet corn, tomatoes, squash, etc.

170 Fruit and tree nuts, including grapes, berries, olives, etc.

180 Ornamental floriculture and nursery products

185 Food crops grown under cover, including hydroponic crops

655010 1988 - 203-125

**Schedule R
(Form 1040)**

Department of the Treasury
Internal Revenue Service (10)

Name(s) as shown on Form 1040

Credit for the Elderly or the Disabled

► For Paperwork Reduction Act Notice, see Form 1040 Instructions.
► Attach to Form 1040. ► See separate instructions for Schedule R.

OMB No. 1545-0074

1988
Attachment
Sequence No. 17

Your social security number

You may be able to use Schedule R to reduce your tax if by the end of 1988

• You were 65 or older, OR

• You were under 65, you retired on permanent and total disability, and you received taxable disability income. Even if one of the situations described above applies to you, you must meet other tests to be able to take the credit on Schedule R. See the separate Schedule R instructions for details.

Note: In most cases IRS can figure this credit for you. See page 16 of the Form 1040 instructions.

Part I Check the Box That Applies to Your Filing Status and Age (Check only one box)

If your filing status is:

Single* 1 You were 65 or older

2 You were under 65 and you retired on permanent and total disability

3 Both spouses were 65 or older

4 Both spouses were under 65, but only one spouse retired on permanent and total disability

5 Both spouses were under 65, and both retired on permanent and total disability

6 One spouse was 65 or older, and the other spouse was under 65 and NOT retired on permanent and total disability

7 One spouse was 65 or older, and the other spouse was under 65 and NOT retired on permanent and total disability

8 You were 65 or older, and you did not live with your spouse at any time in 1988

9 You were under 65, you retired on permanent and total disability, and you did not live with your spouse at any time in 1988

Note: If you checked the box on line 1, 3, 7, or 8, skip Part II and complete Part III. If you checked the box on line 2, 4, 5, 6, or 9, complete Parts II and III.

Part II Statement of Permanent and Total Disability (Complete only if you checked the box on line 2, 4, 5, 6, or 9 above)

IF: 1 You filed a physician's statement for this disability for 1983 or an earlier year, or you filed a statement for tax years after 1983 and your physician checked Box B on the statement, AND

2 Due to your continued disabled condition you were unable to engage in any substantial gainful activity in 1988, check this box

If you checked this box, you do not have to file another statement for 1988. If you did not check this box, have your physician complete the following statement

Physician's Statement

I certify that _____

Name of disabled person

was permanently and totally disabled on January 1, 1976, or January 1, 1977, OR was permanently and totally disabled on the date he or she retired. Date retired if retired after December 31, 1976: _____

Physician: Sign your name on either line A or B below and check the box to the right of your signature

A The disability has lasted, or can be expected to last, continuously for at least a year

B There is no reasonable probability that the disabled condition will ever improve

Physician's signature _____ Date _____

Physician's signature _____ Date _____

Physician's address _____

Physician's name _____

Instructions for Statement

Taxpayer

Enter in the space provided the date you retired if you retired after December 31, 1976

• A physician determines that the disability

1. has lasted, or can be expected to last, continuously for at least a year, or

2. can be expected to lead to death, physical or mental condition, and

(Continued on back)

Schedule R (Form 1040) 1988

Part III Figure the Amount of Your Credit

10 Enter \$5,000 if you checked the box on line 1, 2, 4, or 7 in Part I, OR

\$7,500 if you checked the box on line 3, 5, or 6 in Part I, OR

\$3,750 if you checked the box on line 8 or 9 in Part I.

Caution: If you checked the box on line 2, 4, 5, 6, or 9 in Part I, you **MUST** complete line 11 below

Otherwise, skip line 11 and enter the amount from line 10 on line 12

11 Enter on this line your taxable disability income (and also your spouse's if you checked the box on line 5 in Part I) that you reported on Form 1040. However, if you checked the box on line 6 in Part I, enter on this line the taxable disability income of the spouse who was under age 65 PLUS \$5,000. (For more details on what to include, see the instructions.)

12 If you completed line 11 above, compare the amounts on lines 10 and 11, and enter the **smaller** of the two amounts on this line. Otherwise, enter the amount from line 10 on this line

13 Enter the following pensions, annuities, or disability income that you (and your spouse if you file a joint return) received in 1988 (see instructions)

a Nonexcludable part of social security benefits, and

Nonexcludable part of railroad retirement benefits treated as social security

b Nonexcludable veterans' pensions, and

Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law

c Add lines 13a and 13b. (Even though these income items are not subject to income tax, they **must** be included to figure your credit.) If you did not receive any of the types of nonexcludable income listed on line 13a or 13b, enter -0- on line 13c

14 Enter the amount from Form 1040, line 32

15 Enter \$7,500 if you checked the box on line 1 or 2 in Part I, OR

\$10,000 if you checked the box on line 3, 4, 5, 6, or 7 in Part I, OR

\$5,000 if you checked the box on line 8 or 9 in Part I

16 Subtract line 15 from line 14. Enter the result. If line 15 is more than line 14, enter -0-

17 Divide the amount on line 16 by 2. Enter the result

18 Add lines 13c and 17. Enter the total

19 Subtract line 18 from line 12. Enter the result. If the result is zero or less, stop here, you **cannot** take the credit. Otherwise, go on to line 21

20 Percentage used to figure the credit

21 Multiply the amount on line 19 by the percentage (15) on line 20 and enter the result. If you do not file Schedule C, D, E, or F (Form 1040), enter the amount from line 21 on Form 1040, line 42. Otherwise, see the instructions to determine if your credit may be further limited

8 U.S.G.P.O. 1988-303-113

SCHEDULE SE (Form 1040) Department of the Treasury Internal Revenue Service

OMB No. 1545-0047
1988
Attachment
Sequence No. 18

Social Security Self-Employment Tax ► See Instructions for Schedule SE (Form 1040) ► Attach to Form 1040

Name of person with self employment income (as shown on social security card) Social security number of person with self employment income ►

Who Must File Schedule SE

You must file Schedule SE if

- Your net earnings from self-employment were \$400 or more (or you had wages of \$100 or more from an electing church or church organization), AND
- You did not have wages (subject to social security or railroad retirement tax) of \$45,000 or more

For more information about Schedule SE, see the instructions.

Note: Most taxpayers can now use the new short Schedule SE on this page. But, you may have to use the longer Schedule SE that is on the back.

Who MUST Use the Long Schedule SE (Section B)

You must use Section B if ANY of the following applies

- You choose the "optional method" to figure your self-employment tax. See Section B, Part II.
- You are a minister, member of a religious order, or Christian Science practitioner and received IRS approval (from Form 4361) not to be taxed on your earnings from these sources, but you owe self-employment tax on other earnings.
- You are an employee of a church or church organization that chose by law not to pay employer social security taxes.
- You have tip income that is subject to social security tax, but you did not report those tips to your employer. OR
- You are a government employee with wages subject ONLY to the 1.45% medicare part of the social security tax.

Section A—Short Schedule SE

(Read above to see if you must use the long Schedule SE on the back (Section B))

1	Net farm profit or (loss) from Schedule F (Form 1040), line 39, and farm partnerships (Schedule K-1 (Form 1065)), line 14a	1	
2	Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14a (other than farming). See the instructions for other income to report	2	
3	Add lines 1 and 2. Enter the total. If the total is less than \$400, do not file this schedule	3	
4	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1988 is	4	\$45,000.00
5	Total social security wages and tips from Forms W-2 and railroad retirement compensation (tier 1)	5	
6	Subtract line 5 from line 4. Enter the result. (If the result is zero or less, do not file this schedule.)	6	
7	Enter the smaller of line 3 or line 6	7	
If line 7 is \$45,000, enter \$5,859 on line 8. Otherwise, multiply line 7 by 1302 and enter the result on line 8		8	x 1302
Self-employment tax. Enter this amount on Form 1040, line 48		8	

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1988

Page 2

Attachment Sequence No. 18

Name of person with self employment income (as shown on social security card) Social security number of person with self employment income ►

Section B—Long Schedule SE

(Read above to see if you can use the short Schedule SE on the other side (Section A))

- A** If you only have net farm income from earnings as a minister, member of a religious order, or Christian Science practitioner, AND you are not a minister, member of a religious order, or Christian Science practitioner, you may use the optional method (Form 4361) but have \$400 or more of other earnings subject to self-employment tax, continue with Part I and check here ☐ **B** If you only have wages subject to self-employment tax are wages from an electing church or church-controlled organization that is not a church or church-controlled organization and you are not a minister or a member of a religious order, skip lines 1-3b. Enter zero on line 3a and go on to line 5a.

Part I Figure Social Security Self-Employment Tax

1	Net farm profit or (loss) from Schedule F (Form 1040), line 39, and farm partnerships (Schedule K-1 (Form 1065)), line 14a	1	
2	Net profit or (loss) from Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14a (other than farming). See the instructions for other income to report. Employees of an electing church or church-controlled organization do not enter your Form W-2 wages on line 2. See the instructions	2	
3a	Enter the amount from line 1 (or, if you elected the farm optional method, Part II, line 10)	3a	
3b	Add lines 3a and 3b. Enter the total. If the total is less than \$400, do not file this schedule. (Exception: If you are an employee of an electing church or church-controlled organization and the total of lines 3a and 3b is less than \$400, enter zero and complete the rest of this schedule.)	3b	
3c	The largest amount of combined wages and self-employment earnings subject to social security or railroad retirement tax (tier 1) for 1988 is	3c	
4	Total social security wages and tips from Forms W-2 and railroad retirement compensation (tier 1). Note: Government employees whose wages are subject only to the 1.45% medicare tax and employees of certain church or church-controlled organizations should not include those wages on this line. See the instructions	4	\$45,000.00
5a	Unreported tips subject to social security tax from Form 4137, line 9, or to railroad retirement tax (tier 1)	5a	
5b	Add lines 5a and 5b. Enter the total	5b	
6a	Subtract line 5b from line 4. Enter the result. (If the result is zero or less, enter zero.)	6a	
6b	Enter your medicare qualified government wages if you are required to use the worksheet in the instructions	6b	
6c	Enter your Form W-2 wages of \$100 or more from an electing church or church-controlled organization	6c	
6d	Add lines 6b and 6c. Enter the total	6d	
7	Enter the smaller of line 6a or line 6d	7	
If line 7 is \$45,000, enter \$5,859 on line 8. Otherwise, multiply line 7 by 1302 and enter the result on line 8		8	x 1302
Self-employment tax. Enter this amount on Form 1040, line 48		8	

Part II Optional Method To Figure Net Earnings (See "Who Can File Schedule SE" in the instructions)

See instructions for limitations. Generally, you may use this part only if

- A** Your gross farm income was not more than \$2,400, or
B Your gross farm income was more than \$2,400 and your net farm profits were less than \$1,600, or
C Your net nonfarm profits were less than \$1,600 and also less than two-thirds (2/3) of your gross nonfarm income.
Note: If line 2 above is two-thirds (2/3) or more of your gross nonfarm income, or if line 2 is \$1,600 or more, you may not use the optional method (Form 4361) but have \$400 or more of other earnings subject to self-employment tax, continue with Part I and check here ☐ **D** From Schedule F (Form 1040), line 12, and Schedule K-1 (Form 1065), line 14b
E From Schedule C (Form 1040), line 31, and Schedule K-1 (Form 1065), line 14c
F From Schedule F (Form 1040), line 39, and Schedule K-1 (Form 1065), line 14a
G From Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 14c

9	Maximum income for optional methods	9	\$1,600.00
10	Farm Optional Method—If you meet test A or B above, enter the smaller of two-thirds (2/3) of gross farm income from Schedule F (Form 1040), line 12, and farm partnerships (Schedule K-1 (Form 1065)), line 14b, or \$1,600. Also enter this amount on line 3a above	10	
11	Subtract line 10 from line 9. Enter the result	11	
12	Nonfarm Optional Method—If you meet test C above, enter the smallest of two-thirds (2/3) of gross nonfarm income from Schedule C (Form 1040), line 5, and Schedule K-1 (Form 1065), line 14c (other than farming), or \$1,600, or, if you elected the farm optional method, the amount on line 11. Also enter this amount on line 3b above	12	

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule SE (Form 1040) 1988

6251**Alternative Minimum Tax—Individuals**

Form 6251 (1988)
Department of the Treasury
Internal Revenue Service

Name(s) shown on Form 1040

OMB No. 1545-0227

1988
Adjustment
Sequence No. 32

Your social security number

► See separate instructions.
► Attach to Form 1040 or Form 1040NR, Estates and Trusts, use Form 8556.

1	Taxable income from Form 1040, line 37 (can be less than zero)	1
2	Net operating loss deduction (Do not enter as a negative amount)	2
3	Add lines 1 and 2	3
4	Adjustments: (See line-by-line instructions before completing.)	
a	Standard deduction from Form 1040, line 34	4a
b	Personal exemption amount from Form 1040, line 36	4b
c	Medical and dental expense	4c
d	Miscellaneous itemized deductions from Schedule A, line 24	4d
e	Taxes from Schedule A, line 8	4e
f	Refund of taxes	4f
g	Interest from Schedule A, line 12b	4g
h	Other interest adjustments	4h
i	Combine lines 4a through 4h	4i
j	Depreciation of property placed in service after 1986	4j
k	Circulation and research and experimental expenditures paid or incurred after 1986	4k
l	Mining exploration and development costs paid or incurred after 1986	4l
m	Long-term contracts entered into after 2/28/86	4m
n	Pollution control facilities placed in service after 1986	4n
o	Installation sales of certain property	4o
p	Adjusted gain or loss	4p
q	Certain loss limitations	4q
r	Tax shelter farm loss	4r
s	Passive activity loss	4s
t	Beneficiaries of estates and trusts	4t
u	Combine lines 4j through 4t	4u
5	Tax preference items: (See line-by-line instructions before completing.)	
a	Appreciated property charitable deduction	5a
b	Tax-exempt interest from private activity bonds issued after August 7, 1986	5b
c	Depletion	5c
d	Add lines 5a through 5c	5d
e	Accelerated depreciation of real property placed in service before 1987	5e
f	Accelerated depreciation of leased personal property placed in service before 1987	5f
g	Amortization of certified pollution control facilities placed in service before 1987	5g
h	Incentive stock options. See instructions	5h
i	Intangible drilling costs	5i
j	Reserves for losses on bad debts of financial institutions	5j
k	Add lines 5e through 5j	5k
l	Combine lines 3, 4i, 4u, 5d, and 5k	6
7	Alternative tax net operating loss deduction (Do not enter more than 90% of line 6.) See instructions	7
8	Alternative minimum taxable income (Subtract line 7 from line 6.) If married filing separate returns, see instructions	8
9	Enter \$40,000 (\$20,000 if married filing separately, \$30,000 if single or head of household)	9
10	Enter \$150,000 (\$75,000 if married filing separately, \$112,500 if single or head of household)	10
11	Subtract line 10 from line 9. If -0- or less, enter -0-. Here and on line 12 and go to line 13. If this line is more than 0, go to line 12	11
12	Multiply line 11 by 25% (25)	12
13	Subtract line 12 from line 9. If -0- or less, enter -0-	13
14	Subtract line 13 from line 8. If -0- or less, enter -0-. Here and on line 19. If this line is more than -0-, go to line 15	14
15	Multiply line 14 by 21% (21)	15
16	Alternative minimum tax foreign tax credit. See instructions	16
17	Tentative minimum tax (Subtract line 16 from line 15)	17
18	Regular tax before credits (Form 1040, line 38) minus foreign tax credit (Form 1040, line 43). See instructions	18
19	Alternative minimum tax (Subtract line 18 from line 17). Enter on Form 1040, line 49. If -0- or less, enter -0-	19

For Paperwork Reduction Act Notice, see separate instructions

U.S. GPO: 1988 O-205-314

Form 6251 (1988)

8582**Passive Activity Loss Limitations**

► See separate instructions.
► Attach to Form 1040 or 1041.

OMB No. 1545-1008

1988
Adjustment
Sequence No. 88

Your social security or employer identification number

Part I Computation of 1988 Passive Activity Loss

Caution: See the instructions for Worksheet 1 before completing Part I

Rental Real Estate Activities With Active Participation (See the definition of active participation under Rental Activities in the instructions.)

1a	Activities acquired before 10-23-86 (Pre-enactment):	1a
1b	Activities with net income, Worksheet 1, Part 1, column (a)	1b
1c	Activities with net loss, Worksheet 1, Part 1, column (b)	1c
1d	Combine lines 1a and 1b	1d
1e	Activities acquired after 10-22-86 (Post-enactment):	1e
1f	Activities with net income, Worksheet 1, Part 2, column (a)	1f
1g	Activities with net loss, Worksheet 1, Part 2, column (b)	1g
1h	Combine lines 1d and 1e	1h
1i	Net income or (loss) Combine lines 1c and 1f	1i
1j	Prior year unallowed losses from 1987, Worksheet 1, Parts 1 and 2, column (c)	1j
1k	Combine lines 1g and 1h	1k

All Other Passive Activities (See the instructions for lines 2a through 2h.)

2a	Activities acquired before 10-23-86 (Pre-enactment):	2a
2b	Activities with net income, Worksheet 2, Part 1, column (a)	2b
2c	Activities with net loss, Worksheet 2, Part 1, column (b)	2c
2d	Combine lines 2a and 2b	2d
2e	Activities acquired after 10-22-86 (Post-enactment):	2e
2f	Activities with net income, Worksheet 2, Part 2, column (a)	2f
2g	Activities with net loss, Worksheet 2, Part 2, column (b)	2g
2h	Combine lines 2d and 2e	2h
2i	Net income or (loss) Combine lines 2c and 2f	2i
2j	Prior year unallowed losses from 1987, Worksheet 2, Parts 1 and 2, column (c)	2j
2k	Combine lines 2g and 2h	2k

Part II Computation of the Special Allowance for Rental Real Estate With Active Participation

Note: Before completing Parts II and III, see the instructions for how to treat numbers as if they were all positive

4	Enter the smaller of the loss on line 1i or the loss on line 3. If line 1i is -0- or net income, enter -0- and complete lines 5 through 9	4
5	Enter \$150,000. If married filing separately, see instructions	5
6	Enter modified adjusted gross income, but not less than -0- (see instructions). If line 6 is equal to or greater than line 5, skip line 7; enter -0- on lines 8 and 9, and then go to line 10. Otherwise, go to line 7	6
7	Subtract line 6 from line 5	7
8	Multiply line 7 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see instructions	8
9	Enter the smaller of line 4 or line 8	9

Part III Computation of Passive Activity Loss Allowed

10	Combine lines 1c and 2c and enter the result. If the result is -0- or net income, skip to line 18. (See instructions.)	10
11	If line 1c shows income has no entry or shows -0- enter -0- on line 11. Otherwise, enter the smaller of line 1c or line 8	11
12	Subtract line 11 from line 10. If line 11 is equal to or greater than line 10, enter -0-	12
13	Subtract line 9 from line 3	13
14	Enter the smaller of line 12 or line 13	14
15	Multiply line 14 by 40% (.4) and enter the result	15
16	Enter the amount from line 9	16
17	Passive Activity Loss Allowed for 1988. Add lines 15 and 16	17
18	Add the income, if any, on lines 1a, 1d, 2a, and 2d and enter the result	18
19	Total losses allowed from all passive activities for 1988. Add lines 17 and 18. See the instructions to see how to report the losses on your tax return	19

For Paperwork Reduction Act Notice, see separate instructions

Form 8582 (1988)

U.S. GOVERNMENT PRINTING OFFICE: 1988 205-337

OMB No. 1545-0098
8615
 Department of the Treasury
 Internal Revenue Service
 Form 8615 (1988)
 Sequence No. 33

Computation of Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,000

▶ See Instructions below and on back.
 ▶ Attach ONLY to the Child's Form 1040, Form 1040A, or Form 1040NR.

General Instructions

Purpose of Form. For children under age 14, the parent's investment income (such as taxable interest and dividends) over \$1,000 is taxed at the child's rate. For example, if the child had \$200 of income from wages, Form 8615 rate is higher than the child's rate. Do not use this form if the child's investment income is \$1,000 or less. Instead, figure the tax in the normal manner on the child's income tax return. For example, if the child had \$200 of income from wages, Form 8615's not required to be completed and the child's tax should be figured on Form 1040A using the Tax Table.

Child's name as shown on return

Parent's name (last, first, and last) (Caution: See instructions on back before completing.)

Parent's filing status (check one) ☐ Single ☐ Married filing jointly ☐ Head of household, or ☐ Qualifying widow(er)

Enter number of exemptions claimed on parent's return ▶

Step 1 Figure child's net investment income

- Enter the child's investment income, such as taxable interest and dividend income (see Instructions). (If this amount is \$1,000 or less, stop here; do not file this form.)
- If the child DID NOT make deductions on Schedule A (Form 1040 or Form 1040NR), enter \$1,000. If the child ITEMIZED deductions, see the instructions.
- Subtract the amount on line 2 from the amount on line 1. Enter the result. (If zero or less, stop here; do not complete the rest of this form but ATTACH it to the child's return.)
- Enter the child's taxable income from Form 1040, line 37; Form 1040A, line 19; or Form 1040NR, line 36.
- Compare the amounts on lines 3 and 4. Enter the smaller of the two amounts.

Step 2 Figure tentative tax based on the tax rate of the parent listed above

- Enter the parent's taxable income (from Form 1040, line 37; Form 1040A, line 19; Form 1040EZ, line 7, or Form 1040NR, line 36).
- Enter the total, if any, of the net investment income from Forms 8615, line 5, of ALL OTHER children of the parent. (Do not include the amount on line 5 above.)
- Add the amounts on lines 5, 6, and 7. Enter the total.
- Tax on the amount on line 8 based on the parent's filing status (see instructions). Check if from ☐ Tax Table or ☐ Tax Rate Schedules.
- Enter the parent's tax (from Form 1040, line 38; Form 1040A, line 20; Form 1040EZ, line 9, or Form 1040NR, line 37). Check if from ☐ Tax Table or ☐ Tax Rate Schedules.
- Subtract the amount on line 10 from the amount on line 9. Enter the result. (If no amount is entered on line 7, enter the amount from line 11 on line 13; skip lines 12a and 12b.)
- Divide the amount on line 5 by the amount on line 12a. Enter the result as a decimal (rounded to two places).
- Multiply the amount on line 11 by the decimal amount on line 12b. Enter the result.

Step 3 Figure child's tax

- Note:** If the amounts on lines 4 and 5 are the same, skip to line 16.
- Subtract the amount on line 5 from the amount on line 4. Enter the result.
 - Tax on the amount on line 14 based on the child's filing status (see instructions). Check if from ☐ Tax Table or ☐ Tax Rate Schedule X.
 - Add the amounts on lines 13 and 15. Enter the total.
 - Tax on the amount on line 4 based on the child's filing status. Check if from ☐ Tax Table or ☐ Tax Rate Schedule X.
 - Compare the amounts on lines 16 and 17. Enter the larger of the two amounts here and on Form 1040, line 38; Form 1040A, line 20; or Form 1040NR, line 37. Be sure to check the box for "Form 8615."

For Paperwork Reduction Act Notice, see back of form.

Form 8615 (1988)

OMB No. 1545-1073
8801
 Department of the Treasury
 Internal Revenue Service
 Form 8801 (1988)
 Sequence No. 74

Credit for Prior Year Minimum Tax

▶ Attach to your tax return

Name(s) as shown on return

Social security number or identifying number

Part I Computation of Net Minimum Tax on Exclusion Items

- Enter taxable income (loss) from line 1 of your 1987 Form 6251, line 30 of your 1987 Form 1120, line 26 of your 1987 Form 1120-A, or line 3 of your 1987 Form 8656
- Enter adjustments and preferences treated as exclusion items. See instructions
- Combine lines 1 and 2. If -0- or less, enter -0- here and on line 14 and see the instructions for line 3. Otherwise, go to line 4
- Exemption amount. Enter amount from line 9 of your 1987 Form 6251, line 11 of your 1987 Form 4626, Form 8656 filers, enter \$20,000
- Phase out of exemption. Enter amount from line 10 of your 1987 Form 6251 or line 12 of your 1987 Form 4626, Form 8656 filers, enter \$75,000
- Subtract line 5 from line 3. If -0- or less, enter -0- here and on line 7 and go to line 8. Otherwise, go to line 7
- Multiply line 6 by 25% (.25) and enter the result
- Subtract line 7 from line 4. If -0- or less, enter -0-
- Subtract line 8 from line 3. If -0- or less, enter -0- here and on line 14 and see the instructions for line 9
- Form 6251 and Form 8656 filers, multiply line 9 by 21% (.21). Form 4626 filers multiply line 9 by 20% (.20)
- Minimum tax foreign tax credit on exclusion items. See instructions
- Tentative minimum tax on exclusion items. Subtract line 11 from line 10
- Regular tax before credits minus foreign tax credit. Enter line 18 of your 1987 Form 6251, line 20 of your 1987 Form 4626, or line 21c of your 1987 Form 8656
- Net minimum tax on exclusion items. Subtract line 13 from line 12. Enter here and on line 16 and complete Part II

Part II Computation of Allowable Credit

- Enter amount from line 19 of your 1987 Form 6251, line 21 of your 1987 Form 4626, or line 22 of your 1987 Form 8656
- Adjusted net minimum tax. Subtract line 16 from line 15. If line 16 is greater than line 15, enter -0- and do not complete the rest of the form. Otherwise, go to line 18
- 1987 unallowed credit for producing fuel from a nonconventional source. See instructions
- Add lines 17 and 18
- Enter your 1988 regular tax liability minus allowable tax credits. See instructions
- Enter your 1988 tentative minimum tax. Line 17 of your 1988 Form 6251, line 13 of Form 4626, or line 10, Part III of your 1988 Form 8656
- Subtract line 21 from line 20. If -0- or less, enter -0-
- Allowable minimum tax credit. Enter the smaller of line 19 or line 22. See instructions on where to enter the credit on your 1988 tax return

Part III Computation of Minimum Tax Credit Carryforward to 1989

- Enter amount from line 19 in Part II
- Enter amount from line 23 in Part II
- Carryforward of minimum tax credit to 1989. Subtract line 25 from line 24. See instructions

Form 8801 (1988)

References in the index are either to Table numbers or page numbers. Table numbers are in the format x.x (Table 1.1 would be "1.1") or letters (Table A would be "A"). Remaining references are to page numbers.

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(See also basic and standard deductions)

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Marital status 1.3

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Classified by:

Marital status 1.3

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Definition 105

Reported on:

Form 1040A returns 1.6

Form 1040EZ returns 1.5

High income returns 81,83

Returns with itemized deductions 2.1

Classified by marital status 2.2

Time series, 1975-1988 A

Sales of Capital Assets Reported on**Schedule D**

Classified by:

Marital status 1.3

Size of adjusted gross income 1.4

1979 income concept B

Definition 106

Reported on:

High income returns 81,83

Returns with itemized deductions 2.1

Classified by marital status 2.2

Time series, 1975-1988 A

Sales of Property Other Than Capital Assets**Net Gain or Loss**

Classified by:

Marital status 1.3

Size of adjusted gross income 1.4

Definition 106

Reported on:

High income returns 81,83

Returns with itemized deductions 2.1

Classified by marital status 2.2

Sample Design and Selection Criteria

Description 13

Secondary IRA Payments(See also individual retirement arrangement
adjustment deductible payments)

Classified by marital status 1.3

Reported on:

Form 1040A returns 1.6

Returns with itemized deductions 2.2

Self-employed Health Insurance Adjustment

Classified by size of adjusted gross

income 1.4

Definition 107

Self-employment Tax

Change in law 6

Classified by size of adjusted gross

income 1.4,3.3

Definition 107

Separate Returns of Husbands and Wives

(See also marital filing status)

Classified by sources of income 1.3

Single Person, Returns of

(See also marital filing status)

Classified by:

Sources of income	1.3
Size of adjusted gross income	1.2

Size of Adjusted Gross Income

Classified by:

Marital status	1.2
Selected income and tax items	1.1
Sources of income	1.4
Type of tax computation	3.1

Definition 107

Reported on:

Form 1040A returns	1.6
Form 1040EZ returns	1.5
Returns with itemized deductions	2.1
Returns with modified taxable income	3.1
Tax generated by rate	3.5
Returns with total income tax	3.2
Type of exemption	2.3

Size of Income

Classified by size of adjusted gross income and by 1979 income concept B

Social Security Benefits

Benefits in adjusted gross income:

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4

Reported on:

High income returns	81,83
Returns with itemized deductions	2.1
Classified by marital status	2.2
Classified by size of adjusted gross income	1.4

Definition 107

Social Security Taxes on Tip Income

Classified by size of adjusted gross income 3.3

Definition 107

Sources of Income

(See also specific type)

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4

Reported on:

Form 1040A returns	1.6
Form 1040EZ returns	1.5
High income returns	81,83
Returns with itemized deductions classified by marital status	2.2

Sources of the Data

(See description of the sample)

Standard Deduction

(See also basic and additional standard deductions)

Change in law	6
Classified by marital status	1.2
Definition	108
Reported on Form 1040EZ returns	1.5

State and Local Income Taxes Deduction

(See taxes paid deduction)

State Income Tax Refunds

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4
Definition	108

Reported on:

High income returns	81,83
Returns with itemized deductions	2.1
Classified by marital status	2.2

Statutory Adjustments

(See also specific type)

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4
1979 income concept	B
Definition	108

Reported on:

Form 1040A returns	1.6
High income returns	81,83
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1988	A
Type of adjustment	1.4

Surviving Spouses, Returns of

(See also marital filing status)

Classified by sources of income 1.3

T**Tax Credits**

(See also specific type)

Classified by:

Marital status	1.3
Size of adjusted gross income	1.4,3.3
1979 income concept	B
Definition	111

Reported on:

High income returns	81,83
Returns with modified taxable income	3.1

Returns with itemized deductions	2.1	Definition	112
Classified by marital status	2.2	Reported on:	
Time series, 1975-1988	A	Returns with itemized deductions	
Type of credit	3.3	classified by marital status	2.2
Tax Due at Time of Filing		Tax Preferences Excluded from Adjusted Gross	
Classified by:		Income Concepts	
Marital status	1.3	Definition	73
Size of adjusted gross income	1.4,3.3	Reported on high income returns	89,90
Definition	109	Tax Preparation Fee	
Reported on:		(See miscellaneous itemized deductions)	
Form 1040A returns	1.6	Tax Rates	
Form 1040EZ returns	1.5	(See tax generated)	
Returns with itemized deductions		Taxable Income	
classified by marital status	2.2	Classified by:	
Tax-exempt Interest		Marital status	1.3
Classified by:		Size of adjusted gross income	1.4
Marital status	1.3	1979 income concept	B
Size of adjusted gross income	1.4	Marital status	1.2
Definition	109	Size of cumulated adjusted gross	
Reported on:		income	1.1
Form 1040A returns	1.6	Tax generated at specified rate	3.5
High income returns	81,83	Definition	110
Returns with itemized deductions	2.1	Reported on:	
Classified by marital status	2.2	Form 1040A returns	1.6
Tax from Recomputing Prior-Year Investment		Form 1040EZ returns	1.5
Credit		High income returns	81,83
Classified by size of adjusted gross		Returns with modified taxable income	3.1
income	3.3	Returns with itemized deductions	2.1
Definition	109	Classified by marital status	2.2
Tax Generated		Time series, 1975-1988	A
Classified by:		Taxable Interest Received	
Marginal tax rate	3.4	Classified by:	
Tax generated at specified rate	3.5	Marital status	1.3
Definition	109	Size of adjusted gross income	1.4
Reported on returns with modified		1979 income concept	B
taxable income	3.1	Definition	110
Tax Items		Reported on:	
(See also specific type)		Form 1040A returns	1.6
Classified by:		Form 1040EZ returns	1.5
Marital status	1.3	High income returns	81,83
Size of adjusted gross income	1.4,3.3	Returns with itemized deductions	2.1
Reported on:		Classified by marital status	2.2
Form 1040A returns	1.6	Time series, 1975-1988	A
Form 1040EZ returns	1.5	Taxable Returns	
High income returns	81,83	Classified by size of cumulated adjusted	
Returns with modified taxable income	3.1	gross income	1.1
Returns with itemized deductions		Definition	109
classified by marital status	2.2	Reported on:	
Tax Liability		Form 1040A returns	1.6
Classified by:		Form 1040EZ returns	1.5
Marital status	1.3	Returns with itemized deductions	2.1
Size of adjusted gross income	1.4,3.3		

Taxes Paid Deduction

Classified by marital status	1.3
Definition	110
Reported on:	
High income returns	81,83
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1988	A
Type of taxes paid deduction	2.1

Taxpayments

(See also specific type)

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4,3.3
Definition	110
Reported on returns with itemized deductions classified by marital status	2.2
Type of taxpayment	1.4

Total Deductions

Time series, 1975-1988	A
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Total Income

Classified by size of adjusted gross income and by 1979 income concept	B
Description	7
Time series, 1975-1988	A

Total Income Tax

As percent of adjusted gross income	3.2
Type of tax computation	3.1
Average	1.1
Type of tax computation	3.1
Classified by:	
Marital status	1.3
Number of exemptions	2.4
Size of adjusted gross income	1.4
1979 income concept	B
Marital status	2.1
Number of exemptions	2.3
Size of cumulated adjusted gross income	1.1
Definition	111
Reported on:	
Form 1040EZ returns	1.5
High income returns	81,83

Returns with modified taxable income	3.1
Returns with itemized deductions	2.1
Classified by marital status	2.2
Time series, 1975-1988	A

Total Personal Credits

Reported on high income returns	81,83
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Type of Return

Classified by size of adjusted gross income	1.4
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Type of Tax Computation

Classified by size of adjusted gross income	3.1
Definition	112

U**Unemployment Compensation in AGI**

Classified by:	
Marital status	1.3
Size of adjusted gross income	1.4
Definition	112
Reported on:	
Form 1040A returns	1.6
High income returns	81,83
Returns with itemized deductions	2.1
Classified by marital status	2.2

Unreimbursed Employee Business Expense

(See also miscellaneous itemized deductions and employee business expense)

Reported on returns with itemized deductions	2.1
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W**Windfall Profit Tax Overpayment**

(See overpayment of windfall profit tax)

Windfall Profit Tax Refunds

Reported on high income returns	81,83
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Windfall Profit Tax Withheld

Reported on high income returns	81,83
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